CANADIAN MOVING PICTURE DIGEST

Vol. 19, No. 10. TORONTO 2, CANADA July 9th, 1927

# CONFEDERATION DIAMOND JUBILEE NUMBER

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PUBLISHED BY

CANADIAN MOVING PICTURE DIGEST COMPANY LIMITED

259 SPADINA AVENUE, TORONTO 2

# TWO FAMOUS LIONS—

## THE LION AT TRAFALGAR SQUARE, LONDON

## THE METRO-GOLDWYN-MAYER LION

### CURRENT M-G-M HITS

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### M-G-M IN 1927-28

| | |
|---|---|
| 3 LON CHANEYS | 3 MARION DAVIES |
| 4 WILLIAM HAINES | 2 JACKIE COOGANS |
| 2 JOHN GILBERTS | 6 TIM McCOYS |
| 2 GRETA GARBOS | 5 COSMOPOLITANS |
| 1 RAMON NOVARRO | 2 DOG STAR |
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| IN OLD KENTUCKY | GARDEN OF ALLAH —*Rex Ingram* |
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# *it's* PARAMOUNT'S *year!*

Don't take our word for it. It's right out where you can see it. PARAMOUNT is the WHOLE SHOW! You knew it when you read the announcement of Paramount's 100% Program. Now you're SURE. Every other announcement of product has only strengthened Paramount's.

Month for month, week for week—there's nothing to touch it. All BIG Stuff—all MONEY Product—all KNOWN Values—from the one company BIG enough and STRONG enough to *deliver.*

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## PARAMOUNT
## 100% Program

*60 Features.* *20 Long Run Specials.*
*Paramount News.* *Paramount Short Features.*

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# The Whole Show
## in 1927-28!

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A MYSTERY story of the French Foreign Legion in the deserts of Africa that tightens your skin with excitement. It tells of three handsome young Englishmen who disappear from home after a famous sapphire known as "Blue Water" and belonging to their aunt, has been stolen.

A thrilling mystery story. A wild adventure story. A delightful romance. Never before have you encountered more intense action. Such a story promises great things. Such a cast ***guarantees*** them!

***Mystery, Courage, Love, Self***

# This Big Special is Now Being Booked for Fall Dates

## "BEAU GESTE" is part of

# Paramount's 100% Program

**and is only one of the big surprises PARAMOUNT has in store for your patrons.**

*Sacrifice, Adventure in the Legion*

TEN YEARS AGO

IT STARTED AND IT

HAS BEEN GROWING BY

LEAPS AND BOUNDS

MILLIONS OF $ $ $ HAVE

ALREADY BEEN SPENT

ADVERTISING YOUR

BUSINESS--BIGGER

AND GREATER THAN

EVER THIS YEAR Book

"PARAMOUNT WEEK"

SEPTEMBER 4th to 10th

*and Cash In on This Immense Advertising*

Paramount—100% Program

# COMING SOON!

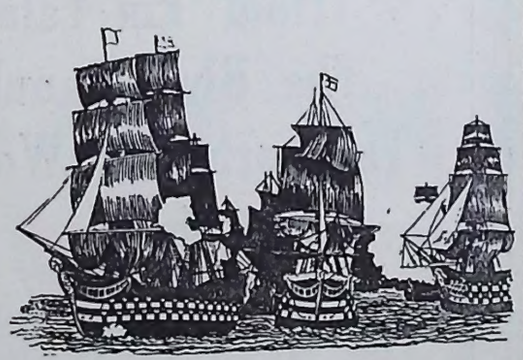
## A MIGHTY, MASSIVE BRITISH-MADE SCREEN SPECTACLE.

# NELSON

## "ENGLAND EXPECTS"

Admirals all for England's sake
Honor be theirs, and fame; And
Honor, so long as waves shall break,
To NELSON'S peerless name.

—Henry Newbolt



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**Regal Films Ltd.**

SOLE DISTRIBUTORS

# Your Best Box Office Bet for 1927-28 Will Be DeMille-Pathe Master Pictures

## Forty Big Outstanding Features You Will Be Proud to Show

*Some of the Stars*

Leatrice Joy
Rod LaRocque
Vera Reynolds
Jetta Goudal
William Boyd
Marie Prevost
Phyllis Haver
Elinor Fair
Joseph Schildkraut
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Rudolph Schildkraut

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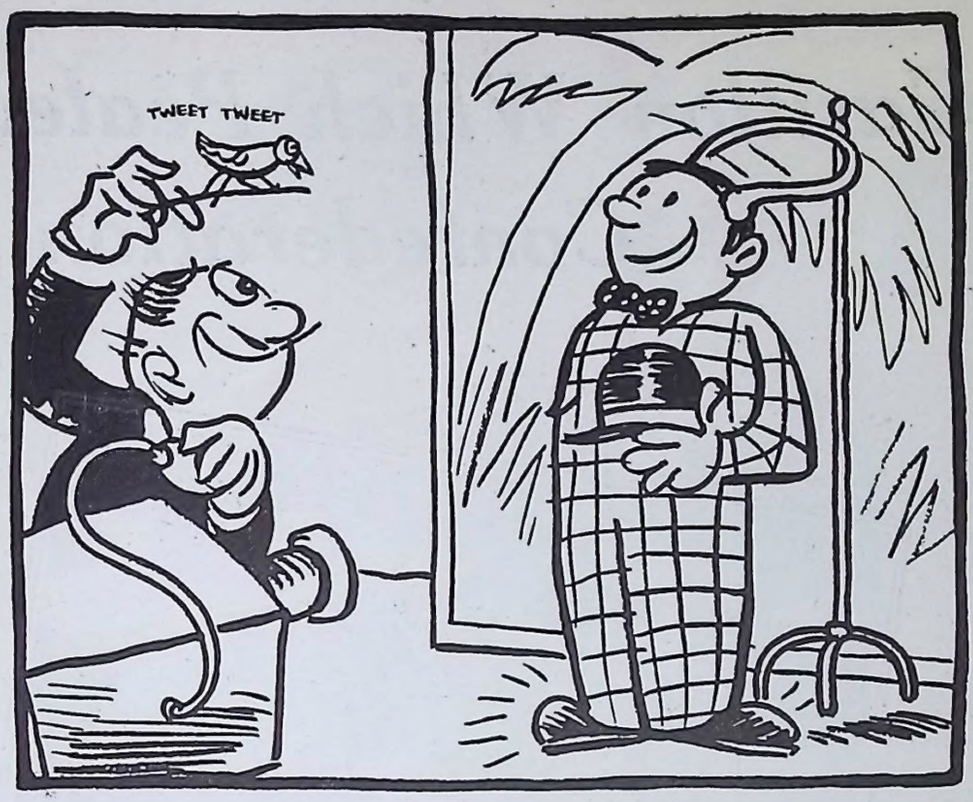
The King of Kings
The Fighting Eagle
The West Pointer
The Wreck of the Hesperus
Hold 'Em Yale
The Blue Danube
The Forbidden Woman
Chicago
Power
Craig's Wife

**REGAL FILMS LIMITED** SOLE DISTRIBUTORS FOR CANADA

TORONTO MONTREAL ST. JOHN WINNIPEG CALGARY VANCOUVER

# Watch the Birdie




*The Episode:* John Jones went to be photographed—he was told to watch the birdie—but no birdie appeared. He bought pictures the same way—now he sits and worries while the opposition does the business.

*Moral:* **A promise is one thing—but a fact is everything.**

# FIRST NATIONAL

gives you the matter-of-fact

# SHOWMAN'S GROUP

## 13 specials—45 weekly hits

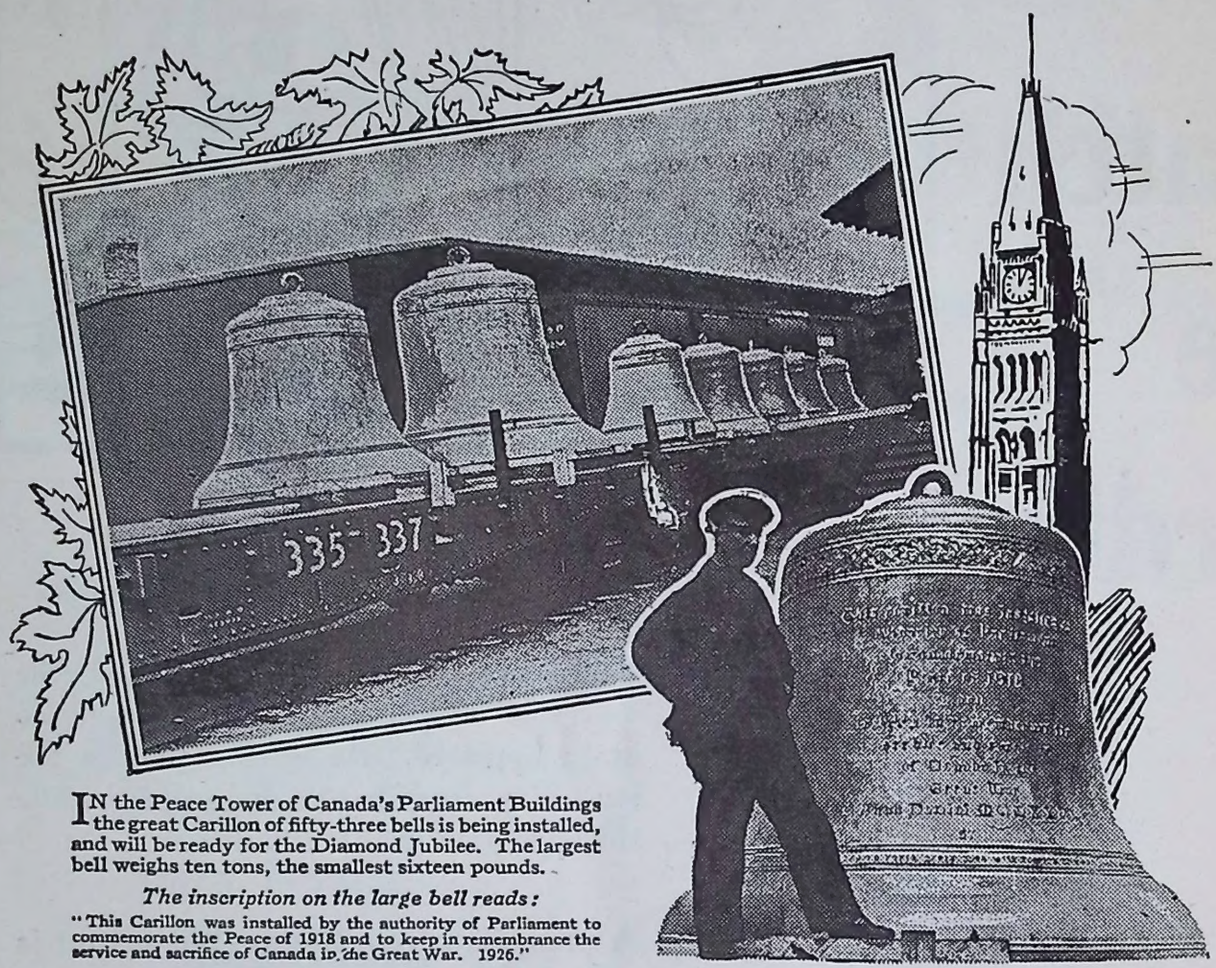
## values absolutely

## NAMED AND KNOWN!

First National Pictures

First National Pictures

# Carillon Which Pealed Forth Confederation




IN the Peace Tower of Canada's Parliament Buildings the great Carillon of fifty-three bells is being installed, and will be ready for the Diamond Jubilee. The largest bell weighs ten tons, the smallest sixteen pounds.

*The inscription on the large bell reads:*

"This Carillon was installed by the authority of Parliament to commemorate the Peace of 1918 and to keep in remembrance the service and sacrifice of Canada in the Great War. 1926."

AND THE

# Bells of FIRST NATIONAL

# First National Bells

Ringing

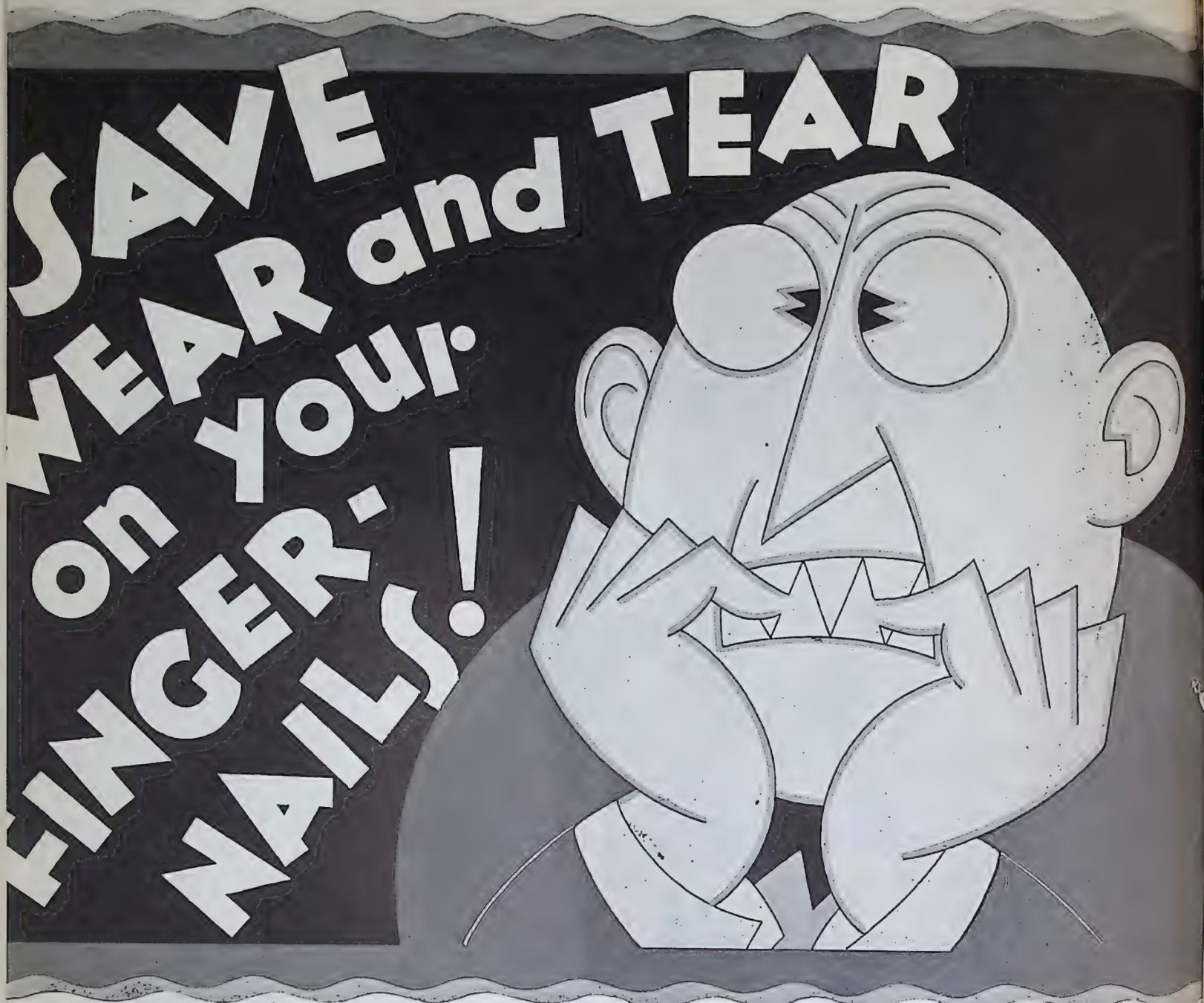
Congratulations

to Canada

on her

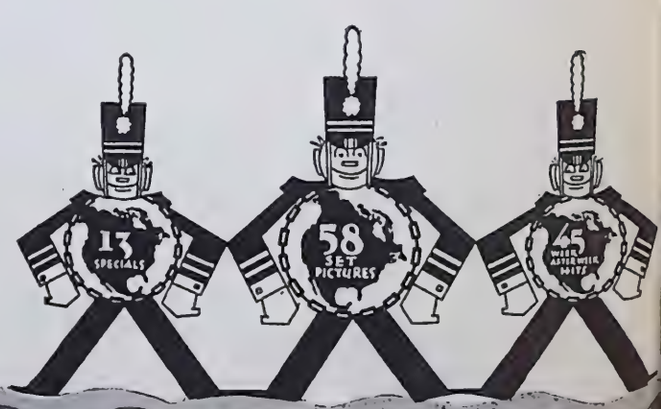
Diamond Jubilee

***Listen to these Bells Exhibitors they spell Prosperity and Prosperous Box Office Returns.***




You'll never have a moment's peace if you Sign Blind for 1927-'28.---Doubts.....Regrets.....Unknown quantities.....Hazy promises.....WILL they deliver?" .....You don't KNOW!

But when you buy FIXED STARS in KNOWN STORIES with SET CASTS and PICKED DIRECTORS---then you can sit back without a care in the world.....You know what you're getting and you know it's the BEST---




FIRST NATIONAL'S SHOWMAN'S GROUP

Member of Motion Picture Producers and Distributors of America Inc
Will H. Hays, President

1867 1927

# CANADA'S JUBILEE

ON the occasion of Canada's Diamond Jubilee of Confederation, every loyal son of the Dominion should be justly proud of the giant strides this country has made in the past 60 years, a progress which ranks it high among the Commonwealth of Nations of the World.

No other country in the British Empire has shown the same measure of development in a like period, and yet its vast resources are almost untouched. It is due to the faith and patriotism of the Fathers of Confederation, and those who have followed in their foot-steps that this has been possible. With this same spirit of national unity, the future of Canada is assured.

Although an infant industry, in point of years, compared to some others, we know and take pride in the fact, that Motion Pictures have played no small part in the advancement of Canada --- not alone by providing its people with clean, wholesome, educational entertainment, but by the millions of dollars invested in Canada which provides employment for thousands who would have to seek a livelihood elsewhere.

## FAMOUS PLAYERS CANADIAN CORPORATION, LIMITED

**Head Office:**
**12th Floor, Royal Bank Building**

**Toronto, Ontario**

# Sitting on Top

"Surrender!"

"We Americans"

"Alias the Deacon"

"Back to God's Cou

"The Irresistible Lo

"The Chinese Pa

"The Small Bache

that's

UNIVERSAL!!

Canadian Universal Film E

Picture Industry infelicitations

# of the World!

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**The CHINESE PARROT**

EARL DERR BIGGERS' popular Saturday Evening Post story. With Marian Nixon, Hobart Bosworth and other stars.

A PAUL LENI Production.

**WE AMERICANS**

The sensational Broadway hit by Milton Gropper and Max Siegel. With an all-star cast.

An EDWARD SLOMAN Production.

**ALIAS THE DEACON**

The stage hit of the year by John B. Hymer and Leroy Clements. Starring Jean Hersholt, with June Marlowe, Ralph Graves, Myrtle Stedman, etc.

An EDWARD SLOMAN Production.

**BACK TO GOD'S COUNTRY**

RENEE ADOREE starring in James Oliver Curwood's tremendous story. With Walter Long.

An IRVIN WILLAT Production.

**SURRENDER!**

Based on Lea Lyon the immortal European stage play. Starring MARY PHILBIN and IVAN MOSJUKINE.

An EDWARD SLOMAN Production.

**The SMALL BACHELOR**

Written by P. G. Wodehouse, ace of humorists. An all-star cast including Andre Beranger and Barbara Kent.

A WILLIAM SEITER Production.

**The IRRESISTIBLE LOVER**

Norman Kerry and Lois Moran in a

A WILLIAM BEAUDINE PRODUCTION

the director who made "Little Annie Rooney."

*Supervised by Carl Laemmle, Jr.*

UNIVERSAL PICTURES

xchanges join the Motion

on Canada's Diamond Jubilee

*The new Associated Screen News Limited studios and laboratory plant in Montreal.*

¶ Products on every screen in Canada every day.

¶ Producers of Canadian News, Scenics, Travel and Industrial Motion Pictures, Feature Prints, Portraits, Slides and Commercial Photographs.

# ASSOCIATED SCREEN NEWS

LIMITED

*B. E. Norrish*

*Managing Director*

WESTERN AVENUE AT DECARIE BOULEVARD • WALNUT 6700* • MONTREAL

# Officers of Canada's New Producing Unit—Thunder Bay Films Limited

### W. Y. MONTGOMERY

Vice President, is a retired Merchant. He has been one of Port Arthur's leading business men since 1885 and continues to figure prominently in the city's most important activities.

### HARRY A. COOPER

Secretary Treasurer, was born at Toronto, Ontario, and was educated in the East. He came to Fort William 20 years ago and entered into the timber business. Later he emerged into the General Merchandising in which he experienced a successful record. For the past five years, Mr. Cooper has been serving Fort William satisfactorily as one of its most reliable accountants, for which capacity he received a thorough training in previous years.

### SARGESON V. HALSTEAD

The Company's President and General Manager is a native of Eastern Ontario. In his early years, as a Mining Engineer, he entered the mineral fields of the North and was prominently connected with many of the major mining activities characterizing the Northland districts during the '90's. Author of "The Spirit of the Wilderness," the Company's first picture.

### PERCY WALKER

The Company's Sales Manager, has been engaged for many years in the automobile industry at the Head of the Lakes, both as mechanical instructor and in commercial lines. He was a member of the Royal Air Force during the late war, and has a very creditable record with that organization. Mr. Walker resides in Fort William.

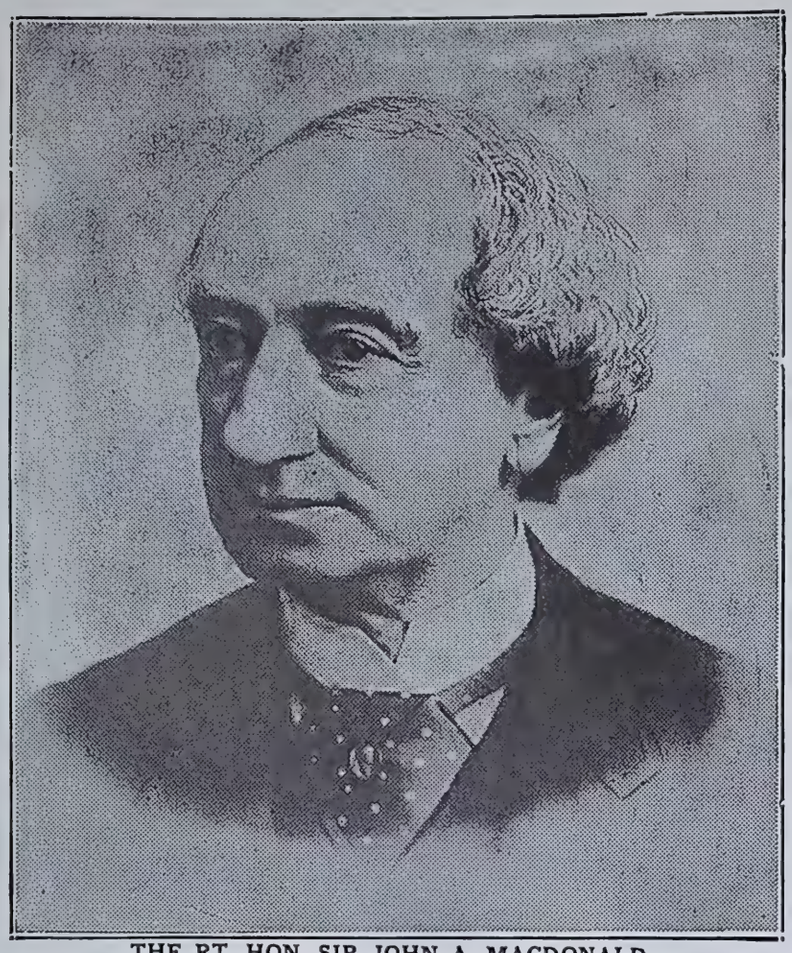
### LOUIS W. CHAUDET

is the Company's Production Manager and Director-in-Chief. His connection with Motion Picture production dates from its infancy at Hollywood. Prior to this he had been for many years on the legitimate stage, having trained under Belasco and Morosco, and travelled in their stock companies and Road shows. He has been a prominent member of the Motion Picture Directors Association for the past ten years.

### A. A. RODMAN

Manager, Swifts Canadian Co., Ltd., Has been with this Company continuously for the past thirty years. His main office is in Fort William, where he has resided for the past fifteen years. He has been for many years a recognized leader in public enterprises beneficial to the city's interest.

# TWO GREAT PIO



THE RT. HON. SIR JOHN A. MACDONALD

## The Father of Confederation who laid the Foundation Stone of Canada as a Nation.

*THE RIGHT HONOURABLE*
*SIR JOHN ALEXANDER MACDONALD*

*Born Glasgow,* 1815. *Died Ottawa,* 1891. *Sat in Parliament from* 1844 *to his death. Mainly instrumental in forming, in* 1854, *the coalition of parties which resulted in the creation of the Liberal-Conservative party. Took a foremost part in the Quebec Conference of* 1864 *and the London Conference of* 1866, *at which the details of the British North America Act were worked out. He was the first Prime Minister of the Dominion and, except for a brief period, he filled this office until his death.*

# NEER BUILDERS

E. W. HAMMONS

## The Father of Educational who made Short Subjects "The Spice of the Programme."

*It is an especial pleasure for me to send greetings to the exhibitors and motion picture public of Canada on the celebration of the Diamond Jubilee of Confederation, because Educational has always felt bound by the closest ties to our great friend across the border. It was the Hudson's Bay Company, which has played such a tremendous part in the development of Canada, that made possible the growth of Educational Film Exchanges, Inc., backing up its plans for specialization in Short Features when most film executives and capital in the United States thought these plans too radical. And now we are looking forward to being the first American motion picture company to hold its convention in Canada, where the next gathering of our executives and branch managers will be held in 1928, at Montreal.*

E. W. Hammons
President

# *God Save the King!*

*We thank thee, God,*
*For Canada,*
*For Life and Bread,*
*For the Freedom*
*Of being a Nation,*
*For the inheritance*
*On which was bred*
*Confederation.*

*On this, our Diamond Jubilee,*
*Our thoughts and thanks*
*Arise to Thee,*
*O let us sing,*
*"God Save The King,"*
*Let voices join*
*And Heaven ring,*
*Around the world,*
*Our message wing—*
*The King — "Long Live the King."*

*God save the Empire*
*And its rule,*
*God bless The Wise,*
*Make wise The Fool,*
*God bless the world,*
*Uplift its face*
*To where Thy Glory,*
*Thrones Its Grace.*

*O grant us Mercy,*
*Justice, Light,*
*With strength and will*
*To lead the fight*
*For Freedom,*
*Unity and Truth,*
*Respect for Age,*
*Respect for Youth,*
*For Loyalty,*
*For Veneration*
*Of those Ideals*
*Which made our Nation.*

*God Bless our Canada*
*This day,*
*O grant her peace,*
*To grow Thy Way—*
*God Save Our King.*

—Ray Lewis.

*Portrait of H. M.*
*King George V.*
*After a painting by Joshua Smith, R.B.A.*

The Government of Ontario has received through His Excellency the Governor-General the following greeting from His Gracious Majesty the King in connection with the Diamond Jubilee of Confederation.

*TO-DAY my people of Canada unite to celebrate the Diamond Jubilee of Confederation, and on such a day they may well look with a just pride on the achievements of the past and with a confident hope to the promises of the future. In 60 years the boundaries of Confederation have extended tenfold, and its Governments are now responsible for the welfare of nearly ten million inhabitants. By labor, peace and sacrifice of war, Canada has become a mighty nation. Aims as lofty, and labors as strenuous, await her in the future. Within her own bounds her people have before them the task of developing the heritage which their fathers have left them. In a yet wider sphere she has to take an ever increasing share in guiding counsel and solving problems of the Great Commonwealth of which she is a part, conscious that within it there is perfect freedom and that the unity of the nations of the British Empire is the surest guarantee of peace of the world to-day. With all my heart I join in the prayers and hopes of my people throughout the world for the peace and prosperity of Canada.*

George R.I.

The portrait drawings in this Number are by Joshua Smith, R.B.A., the well-known English artist. I wish to extend my thanks to Mr. Smith for his splendid co-operation in the execution of these portraits; and his permission to reproduce his miniature portrait of His Majesty, King George V.

I take this opportunity of thanking James W. Seymour, Secretary to the Harvard University, for his co-operation. A book containing all the Motion Picture addresses which were delivered at Harvard, is to be published by Harvard University at a later date.

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## Our Thanks

*We thank those countries*
*Which rejoice*
*With Canada,*
*Their wishes voice*
*Like benedictions.*

*O May your wishes*
*All come true,*
*Bless us,*
*And then return to you*
*With added blessings*
*For your cheer,*
*O may this year*
*Of sixty years,*
*Which you anoint,*
*With your good-will,*
*In sixty years,*
*Be with us still.*

—The Editor.

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I thank the various leaders of the Motion Picture Industry, represented in this publication, who made the Confederation Diamond Jubilee Number of the Canadian Moving Picture Digest possible, by their splendid support. The Metro-Goldwyn-Mayer Organization, who donated the front page space for the reproduction portrait of the Fathers of Confederation, and N. L. Nathanson for his personal support of the idea to publish the Jubilee Number.

I am indebted to the National Committee for the celebration of the Diamond Jubilee of Confederation, Ottawa, for the general information dealing with the history of Canada and Confederation as published in our Jubilee Number.

*Portrait of Ray Lewis.* *After a painting by Joshua Smith, R.B.A.*

*NINE provinces like Muses stand—Daughters of Canada, united hand in hand, each is an inspiration, Daughters of Confederation.*

*Nine Goddesses who rule, the Art of Canada, and all her School of Sciences, who spur her commerce on to a World Trade, waving the Union Jack, whose colors fast, will never fade.*

*Nine daughters of Mnemosyne, born to Brittannica, cradled in the sea, by Neptune and Amphitrite, daughters in their mother's house and mistress in their own, nine provinces of Canada, which on her breasts have grown.*

*Nine provinces to circle round England's gracious throne—Stand firm, ye Amazons of Might, like torches ye uncover night, and star the Sun of England's Light.*

*"I, the Screen, am for the mutual understanding and education of all peoples. I, the Screen, am particularly interested in the entertainment and education of the Masses through the recreation which I, the Screen, afford.*

*"I, the Screen, am the silent minister of all peoples; and as 'the servant is worthy of his hire,' so am I, the Screen, worthy of such monetary compensation as I receive."*

*The Diamond Jubilee Number is proud of its opportunity to express its British Spirit, through an Industry which is becoming an international medium of contact. The Digest remains British, Canadian, despite its close affiliation with the Industry of Motion Pictures; and through its services will endeavor to illustrate how international are the lessons and the purpose, the influence of The Screen.* —The Editor.

# Canadian Moving Picture DIGEST

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RAY LEWIS
**Editor and Managing Director**
GEORGE C. WILLIAMS
**President**

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*Established in 1915 for Exhibitors*
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## *"The Building of a Nation"*

*(Dedicated to the Rt. Hon. Premier W. L. Mackenzie King, of Canada, Confederation Diamond Jubilee,* 1927)

MUSE of fair Canada, who sits enthroned upon a height, Queen of the Rockies, from which throne she doth survey Industry and Commerce, Trade, and the magic sweep of granaries uplifted from the soil, from whose rich heart was drained a vein of seed—seed more numerous than those which raised their heads as stars of heaven. Behold how beautiful they stand, our Pyramids of Food for Man's command.

Muse of fair Canada, no Delphic oracle have we, at whose green shrine our lyrics we compose, to sing thee rapturously. But we have maple trees and oak; and children of the Druid's minstrelsy, who spin us Imagery from Web of Hope; folk songs of Canada which tell her lore, the music of her romance, a history which we adore.

Songs of the pioneer, who made an oxen yoke, to drive his plough across the land; songs which were sung, as our forefathers flung, their grain to the ground, with their right hand.

We have a God of Wonder, who holds Niagara in His Cup of Thunder; and after He doth sup, empties the goblet, which again doth fill; and ever and forever behold we, this overturning of the Cup, which ne'er is still; Niagara's Ajax crashing from his height, to Globe the Veins of Mercury, to give us Light.

We have peace within our hearts, and Night's Repose; Day's Urge for doing, leisure for laughter and wit; and the steady grip of hand to hand.

We have Loyalty, Religion, and Reverence for the Golden Rule, which teaches us to bridge the span of separation, which exists 'twixt man and man.

O we have mountains, from whose valley dip, our Pilgrims climb to where the Muses sit; painting their Images with sweeping brush, or pounding from the clay their dreams and aspirations; chiselling and grinding into dust, Age and Decay, Distrust and Rust, like Nature doth, when she mills Life to powder, sending December snows to shroud her, for the Resurrection of her Month of May.

Across our land, where tepee smoke lazily ascended to heaven, with savoury of buffalo, of moose and deer, our Railroads thread the way of Civilization; Symbol of the white man's rule, through God and Reason, the white man trading his oxen for machinery, to fit each season.

Dominion over earth and seas, all that in the waters dwell, the birds which nest the trees. Civilization on wheels, and wheels within wheels, marking Time and keeping count of each cycle which we mount; steam and electric-driven wheels, the commerce of a nation; the Captains and Engineers, the Compass and the Steering Gears, the majesty of ships at sea, Wheels of Confederation.

Behold the link, which the St. Lawrence rivers to cement, on Chain of Nations; behold Superior, on whose expansive breast, is crested the World's Decoration. She rules as Queen of the Great Lakes, and reveals within her crystal bowl, Canada to be supreme, among the Leaders of marine.

Fair Canada, thou art home to me; and though I find thee slow to proclaim thy destiny, to plunge and move thy plannings mightily, I revel in the liberty which gives us room to ponder on the wonder of thy doing, the strength in thy slow growing, the vision of thy sons, rugged as the timbre of thy Being, who moulded into a unity, cities and towns; and through Confederation, made a Nation! Out of the British Empire's head, Canada, full-armoured, springs like a Minerva, to defend with wisdom and fidelity, her Sire and King!

When I behold how lustily she bringeth forth children for her breasts, when I behold her hearth, sheltered from ungodliness and pests, when I behold thee, O my Canada, thy Beacons of Salvation, the humanity of thy exaltation, the modesty with which thou givest to the world the Healers of thy nation; when I behold thy loyalty to England, the simplicity and chastity of this relation, I am the Sexton of thy Jubilee, ringing thy bells with faith and love, ringing them gladly as their music swells, church and school bells, chimes from city bells, organ chimes from the Cathedrals of Motion Pictures, bells, bells, bells, swinging, ringing, merrily, exultantly!

Ringing while I string for thee a rosary, each sister province a pearl around thy throat, O Canada to wear, with Sixty Jewel Blessings in the Clasp, One for each Wedded Year!

Ring, bells, ring — ring for Unity and Liberty! Sound the celebration, of a British colony which became a British Nation!

Ray Lewis

RT. HON. W. L. MACKENZIE KING

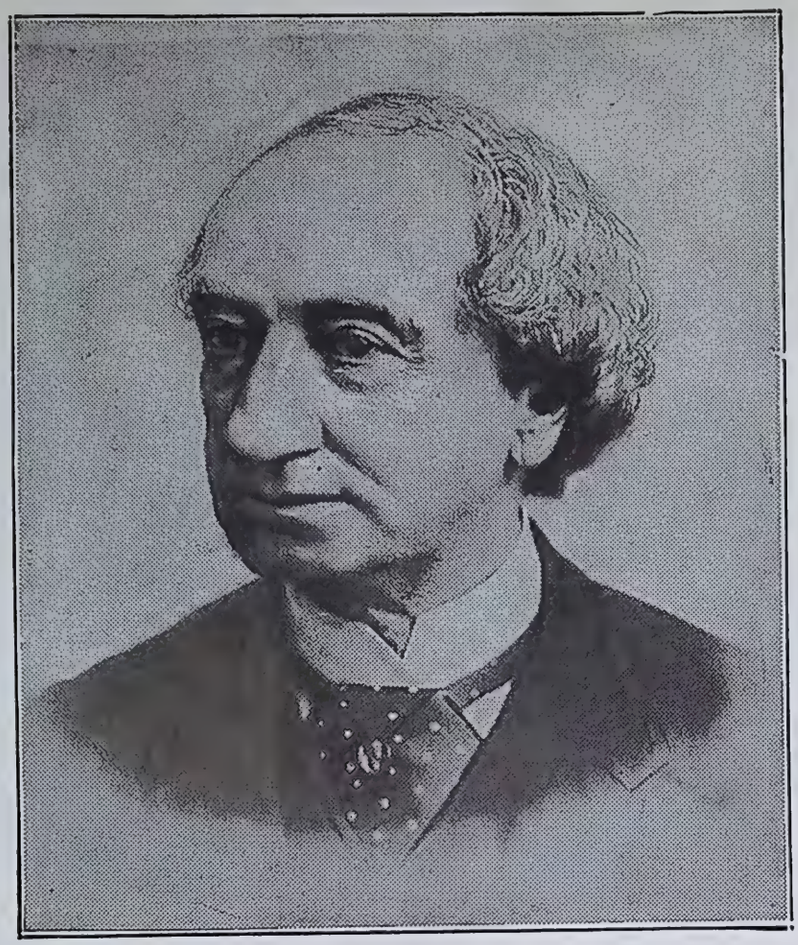
*MESSAGE from the Prime Minister to the People of Canada:*

The Dominion of Canada as it came into being on July 1st, 1867, was the outcome of an endeavour by men of diverse temperaments, racial origins, religious and political faiths, to serve the ideal of nationhood. The union of Upper and Lower Canada with Nova Scotia and New Brunswick, which formed the Canada of the Fathers of Confederation, was but the first-fruits of this endeavour. As one by one other provinces became part of the Dominion—Manitoba in 1870, British Columbia in 1871 and Prince Edward Island in 1873—the same spirit of unity, the same ideal of nationhood were manifest, until in 1905 Saskatchewan and Alberta, newly created out of the territories of the middle West, brought to completion the federation of provinces from sea to sea. The vast territories and the silent spaces that sweep northward into the unknown speak more eloquently than words of boundaries still undefined in a land that is limitless in its possibilities of further development and growth.

Such is the Canada we now know, just sixty years from the day of its birth! The Diamond Jubilee of Confederation is the occasion of national rejoicing at the peace and plenty, the progress and prosperity that a united Canada to-day enjoys; it is the occasion, too, of national thanksgiving for the spirit of unity bequeathed to us by the Fathers of Confederation. This spirit of unity, the secret of expansion in our national life, it is our highest duty as well as privilege ever fervently to maintain.

W. L. Mackenzie King.

# Canada's First Premier



SIR JOHN A. MACDONALD

**Canada's First Premier, whose term of office began shortly after Confederation, the 60th anniversary of which is being observed this year.**

SIR JOHN A. MACDONALD, the "chief architect" of Confederation, is properly admired for his shrewdness, his broad vision, and his marvellous capacity for leadership. He was loved for his wit, his generosity, and all his warmly human characteristics. He stood for a united Canada, the British connection, and a respect for law that ensued order at a stage of the country's development when lawlessness might easily have been the rule. Though he had great ability for affairs, he served the land he loved through a long life with so little thought of personal profit that in old age he was a poor man.

Ready in compromise, nimble in political strategy, our first premier was far more than an able parliamentarian; he was a statesman to whose foresight Canada owes such enduring benefits as the purchase of the West from the Hudson's Bay Company; the building of the Canadian Pacific Railway that opened the prairies for settlement, and brought British Columbia into the Union; and the adoption of a tariff policy which all succeeding governments have continued, with necessary modifications, to this day.

Above all, his career illustrates the importance in the interests of general harmony of making concessions to divergent elements and minorities that might otherwise become insurgent. Thus early he learned that "you cannot rule Canada without the French," and though an Orangeman he always considered Quebec's needs to the extent that he always had support from there, and sometimes his chief support. Never was this trait more evident than when his diplomatic winning of Howe, by offer of better terms quelled the secessionist agitation in the Maritimes.

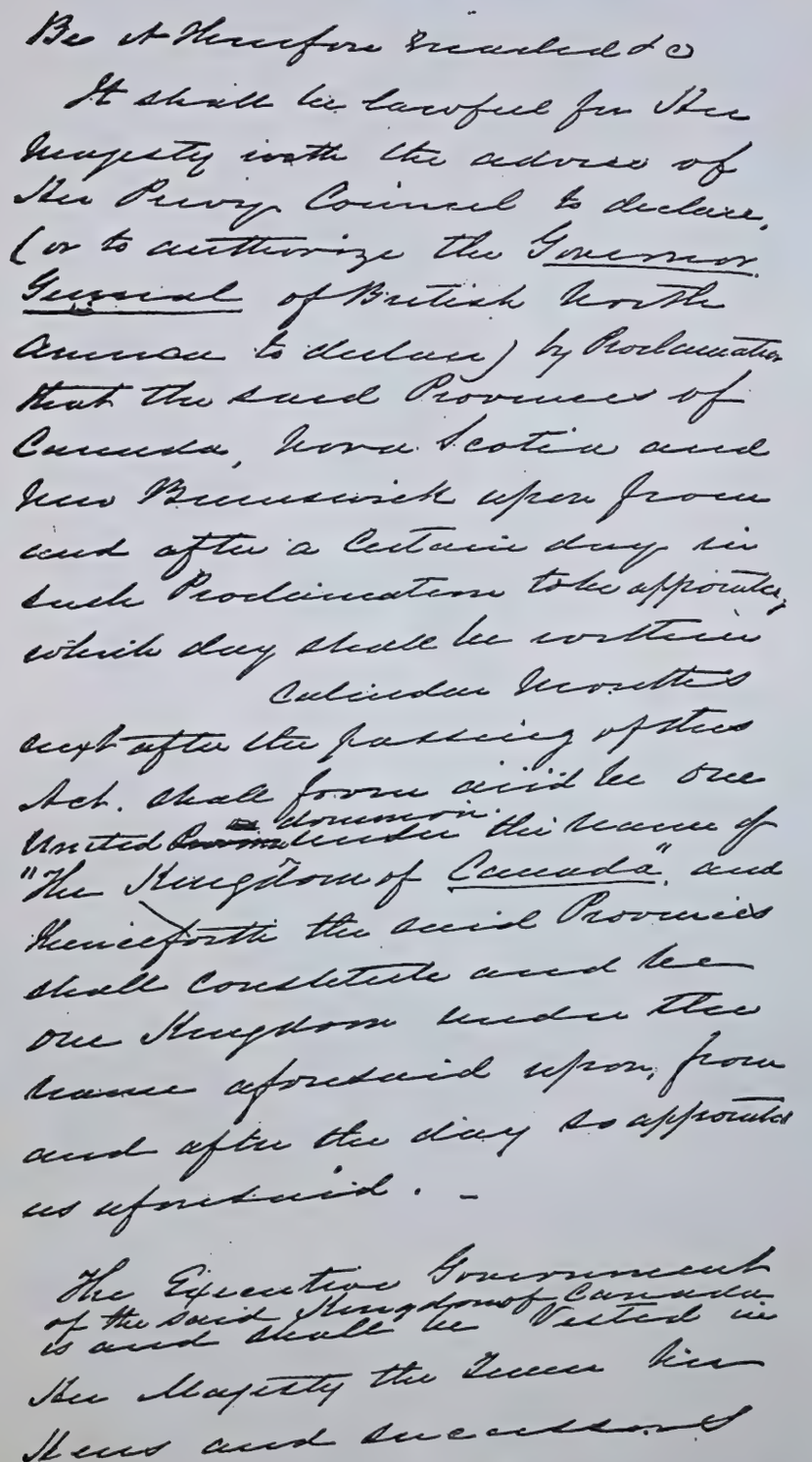
Born in Glasgow in 1815, he migrated with his family in 1820 to Upper Canada, where they settled at Kingston. He was educated at the Royal Grammar School, which he left at the age of fifteen to enter a law office; and was called to the bar at the age of twenty-one. After eight years of practice, he was elected to the Legislative Assembly of Canada in 1844, and continued to represent Kingston in parliament until his death in 1891. His first term of office was in 1847-8 as Receiver-General in the Draper administration. By 1857 he had become Prime Minister in the Macdonald-Cartier ministry. On the defeat of the Tache-Macdonald administration in 1864, he was a prime mover in the formation of the "Great Coalition" designed to carry through the plans for Confederation; and after the resignation of George Brown in 1865, Macdonald was the chief figure in the discussions and bringing into force of the British North America Act. Therefore, at the inauguration of this Dominion in 1867, he was selected to be the first premier; and by force of his genius he held the position, with the exception of Mackenzie's five years of office, until his death.

While his opportunism and his conviviality have been held against him, impartial historians agree that Canada could not have been happier in her first premier, since Sir John A. Macdonald combined the wise vision, that knew how to build well for the future, with a strong hand, that held discordant elements together in the embryo nation, until natural fusion might take place.

# The Story of the Fathers of Confederation

## First Draft of Confederation Pact

**Facsimile of portion of Sir John A. Macdonald's first rough draft of the British North America Act.**



Be it therefore enacted &c

It shall be lawful for the Queen with the advice of Her Privy Council to declare, (or to authorize the Governor General of British North America to declare) by Proclamation that the said Provinces of Canada, Nova Scotia and New Brunswick upon from and after a certain day in such Proclamation to be appointed, which day shall be within Calendar months after the passing of this Act. shall form and be One United Dominion under the name of "The Kingdom of Canada" and thenceforth the said Provinces shall constitute and be one Kingdom under the name aforesaid upon, from and after the day so appointed as aforesaid. -

The Executive Government of the said Kingdom of Canada is and shall be vested in Her Majesty the Queen her Heirs and successors

THE Fathers of Confederation bear somewhat the same relation to Canadian history as the Signers of the Declaration of Independence do to the history of the United States. Like the latter, they are all venerated collectively, but individually certain names stand out above the rest — the master minds that made the great movement a reality. Just as Washington, Jefferson, Adams, Madison, and two or three others were the guiding spirits in drafting the terms of the Declaration of Independence and putting it through the Continental Congress, so Macdonald, Cartier, Tupper, Galt, Brown and McGee were the real leaders in the movement that resulted in the merging of the weak and scattered colonies of British North America in the Dominion of Canada. At the same time, while honouring the memory of these outstanding Canadians it would be unjust to forget the very real services of the other seventeen men who with them made up the Fathers of Confederation, or who in other words represented the legislatures and people of their respective colonies at the Quebec Conference in 1864.

At that Conference, Canada (which then embraced what we know to-day as Ontario and Quebec) was represented by Sir Etienne P. Tache, John A. Macdonald, Georges E. Cartier, William McDougall, George Brown, Alexandre T. Galt, Alexander Campbell, Oliver Mowat, Hector L. Langevin, James Cockburn, Thomas D'Arcy McGee, and J. C. Chapais; Nova Scotia, by Charles Tupper, W. A. Henry, R. B. Dickey, Jonathan McCully, A. C. Archibald; New Brunswick, by S L. Tilley, John M. Johnson, Peter Mitchell, Charles Fisher, Edward Chandler, W. H. Steeves, John H. Gray; Prince Edward Island, by John H. Gray, Edward Palmer, W. H. Pope, Gerge Coles, T. H. Haviland, Edward Whelan, A. A. McDonald; and Newfoundland, by F. B. T. Carter and John Ambrose Shea.

Nearly all of these men had taken part in the Charlottetown Conference that paved the way for the momentous meeting at Quebec; most of them were instrumental in steering the Quebec Resolutions through their respective legislatures; and, with the exception of the Newfoundland delegates, practically the same group met again at Westminster in 1866 to prepare the final draft of the British North America Act—the Constitution of Canada.

Newfoundland, after some hesitation, finally decided not to join the new Confederation. In 1895 delegates were sent to Ottawa by the Ancient Colony to discuss terms of union, but unfortunately the negotiations fell through, and have never since been resumed. Prince Edward Island took several years to deliberate, but finally came into the Dominion in 1873. In the meantime the Red River Colony had joined the Union as the Province of Manitoba; and the following year British Columbia also became a member. Saskatchewan and Alberta became provinces in 1905.

As each of the thirty-three Fathers of Confederation had been political leaders before the creation of the Dominion, so after Confederation each of them took an active part in the public life of the country, some as members of the federal cabinet, the Senate, or the House of Commons; others as members of the various provincial governments or legislatures; others again as lieutenant-governors of provinces, or members of the judiciary. By a curious coincidence two unrelated John Hamilton Grays sat in the Quebec Conference. One had been premier of Prince Edward Island, and the other became a judge of the Supreme Court of British Columbia.

# Ontario After Sixty Years

AT CONFEDERATION Ontario had a population of 1,600,000, mostly farmers. The largest urban community was Toronto which had just passed 50,000. In 1871 Hamilton had 26,716; Ottawa, 21,545; London, 15,826. In the older sections of the southern peninsula many families had come to prosperity and a few to affluence, but in the region around the shores of Lake Huron and Georgian Bay pioneer conditions still prevailed. "The Queen's Bush," which was the hinterland of Owen Sound, was then considered as a "New Ontario" and it beckoned to the adventurous youth of the older countries.

The great region north of Lake Huron and Lake Superior had only 5,007 people in 1867. Bruce Mines, with a population of 1,298, was its metropolis. That same district to-day is the home of 176,358 people and includes the three fine cities of Fort William, Port Arthur and Sault Ste. Marie. In 1927 there are more people in the twenty-six cities and in the larger towns of Ontario than were to be found in the whole Province of sixty years ago. There has been no marked increase in the rural areas; indeed, some countries have fewer people than at Confederation. But if anyone is concerned about "rural depopulation" he will find his pessimism abated by a glance at the comparative crop-returns.

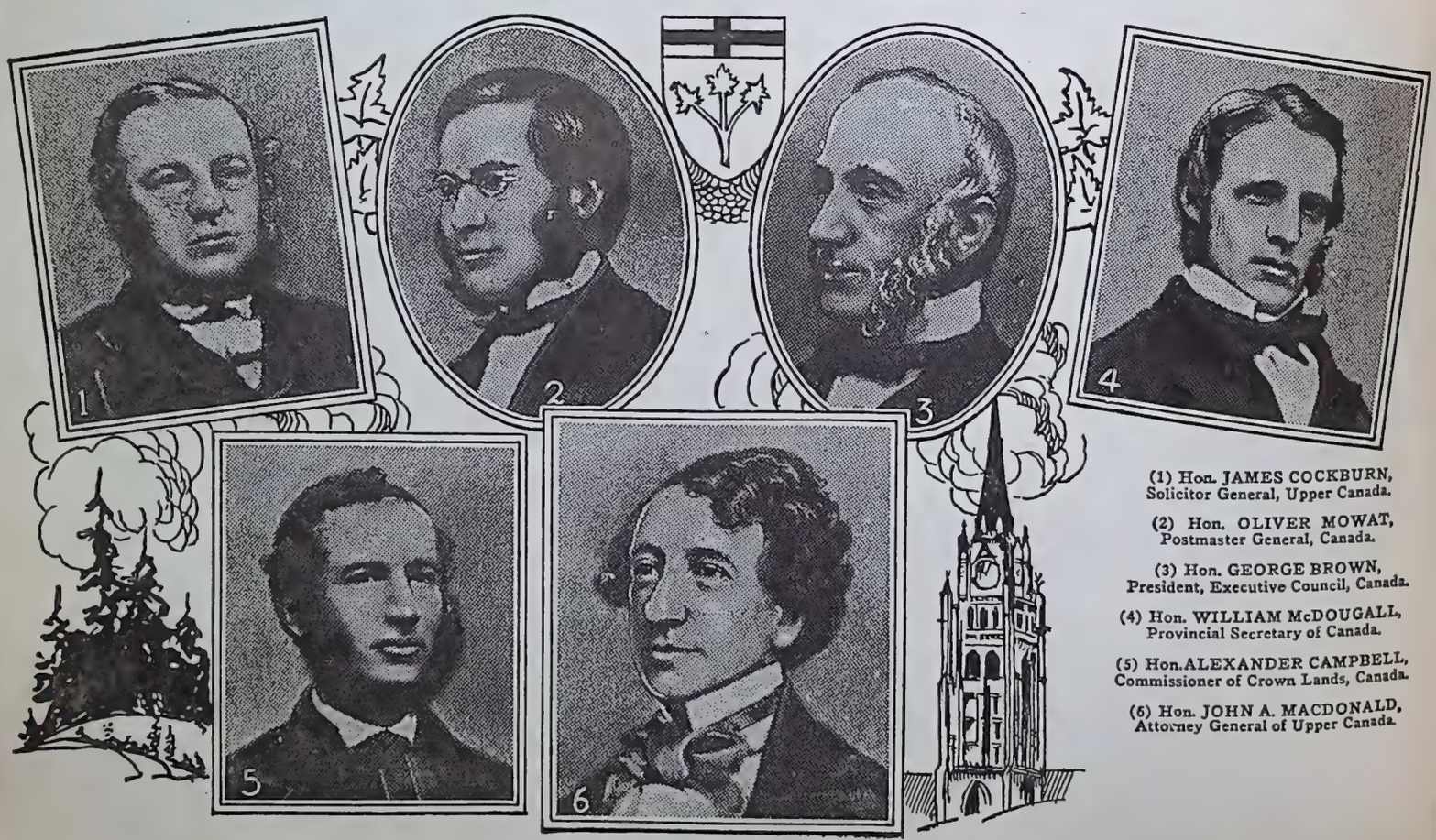
The land now under cultivation is about 10,500,000 acres as compared with about 6,000,000 acres in 1867. According to the Dominion Census of 1871 the production of wheat, barley, oats, rye, peas, beans, buckwheat, corn, potatoes and roots made a grand total of 100,174,453 bushels. In 1926 the Province raised 225,163,713 bushels of the same commodities, and in addition 26,877,629 bushels of mixed grains, 1,810,392 tons of alfalfa, and nearly 1,000,000 tons of alsike and sweet clover. The value of farm property has doubled. A lively home market has been developed. Modern methods and machinery have made farming easier. The labour of one man produces more than the labour of two or three men in 1867.

Industrial production has been greatly stimulated by the generation and distribution of hydro-electric energy, which has been a profitable substitute for coal. In 1871 products of the factories of Ontario had a value of $114,708,799; in 1925 they had a value of $1,451,883,308. The growth of manufacturing has greatly enlarged the cities. Toronto of 1927 is twelve times its size in 1867. Scores of towns have increased seven or eight fold within sixty years. With the growth of the cities has come a larger educational and cultural opportunity. The University of Toronto has 6,000 students, and both Queen's and Western Universities serve a growing student-body.

Before Confederation the mineral production of the Province was not imposing. The copper deposits of the North Shore had been worked since 1847 but not with any marked profit. Gold had been discovered in Madoc, and the oil wells of Lambton County were producing bountifully. During the construction of the Canadian Pacific Railway in 1885 the nickel-copper ore-book of Sudbury was discovered, and the rich silver and gold deposits of the Timiscaming region were revealed in the early part of this Century. Last year the mineral products of Ontario had a value of $87,583,306.

During the last Session of the Legislature the Provincial Treasurer estimated the wealth of the Province as follows: Value of Crown timber, $4,800,000,000. Property assessed by municipalities, $2,600,000,000; mineral wealth, $2,000,000,000. Crown lands undeveloped, $230,000,000; fish, game and fur, $200,000,000; water-powers, $150,000,000. The railway mileage within the Province has increased from 2,000 to 11,000 miles since 1867.

## ONTARIO FATHERS OF CONFEDERATION




(1) Hon. JAMES COCKBURN, Solicitor General, Upper Canada.

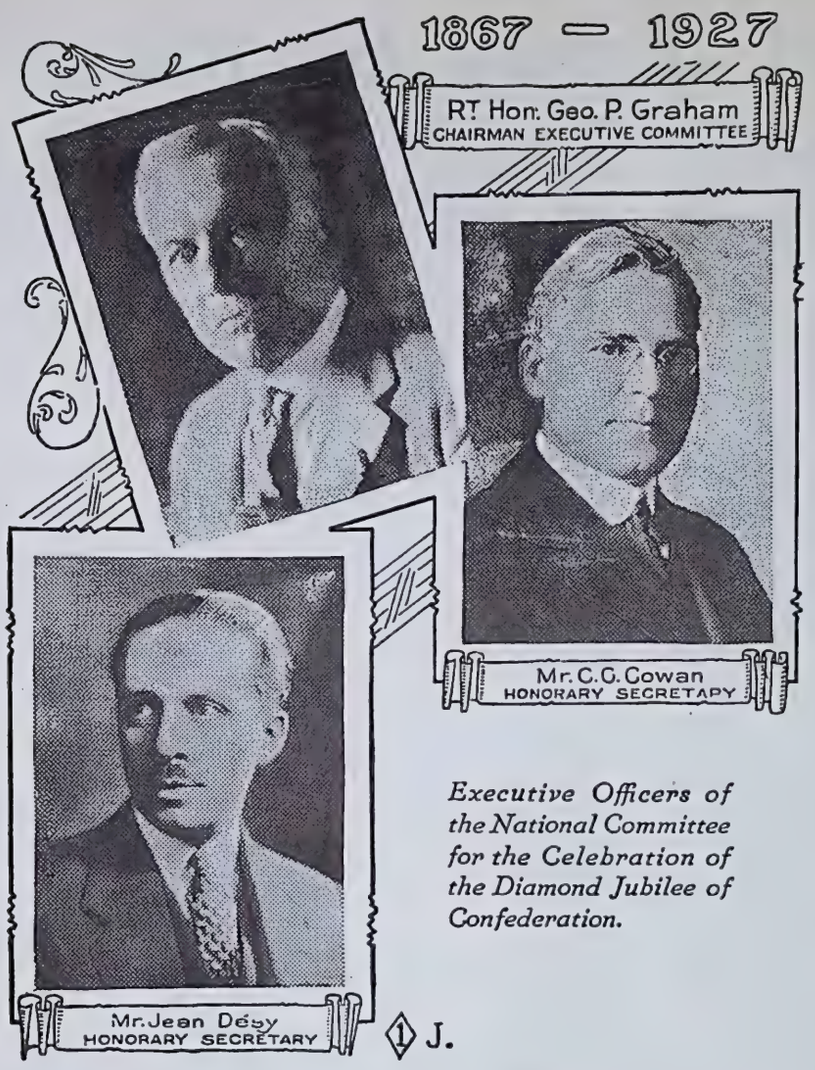
(2) Hon. OLIVER MOWAT, Postmaster General, Canada.

(3) Hon. GEORGE BROWN, President, Executive Council, Canada.

(4) Hon. WILLIAM McDOUGALL, Provincial Secretary of Canada.

(5) Hon. ALEXANDER CAMPBELL, Commissioner of Crown Lands, Canada.

(6) Hon. JOHN A. MACDONALD, Attorney General of Upper Canada.




*Executive Officers of the National Committee for the Celebration of the Diamond Jubilee of Confederation.*

J.

# Sixty Years of Banking

THE little brown tea-pot on a shelf, the old stocking tucked away in a mattress, had long ceased to be the only popular banks when this Dominion was formed. They had never contained very much, for money was scarce in pioneer days. The farmers, who were the bulk of the population, exchanged their produce direct for the goods they needed. And the banks, from the time when they were established among us—the Bank of Montreal was the first, in 1817—won the confidence of the people who had money to deposit. That confidence was generally deserved and, though a number of banks have failed, the nature of the Canadian Banking system and the increasing precautions imposed by law have given the public a very high degree of security.

The first Bank Act passed by the Dominion Government, in 1871, provided for a limitation of dividends until a reasonably large reserve fund had been accumulated, and decreed that at least one-third of the cash reserve must be in Dominion Government notes. That proportion was raised to 4 per cent in 1881; then, also, the holder of a bank note was given first claim on the assets of the issuing bank. Such notes of $5 and upwards form the bulk of the money we use. Dominion Government notes of various denominations up to $50,000 are issued, but the large denominations are rarely seen except in Bank and Government vaults. Government notes are redeemable in gold. This law was suspended during the War, but on the 1st of July, 1926, gold payments were resumed.

The Bank Act of 1891 established a Bank Note Redemption Fund, by which all banks were liable, in proportion to their own note circulation, to make up the deficiency of any bank unable to redeem its notes. Since then no bank failure has caused the loss of a dollar to any note holder.

Between 1881 and 1926 the number of our banks has been reduced from 36 to 11, by the weeding out of the weaker or their amalgamation with stronger banks. This has increased the security given by the banks as a whole, without reducing the banking facilities available to the public through our branch bank system.

The number of bank branches in Canada has risen from 123 at Confederation to 1,145 in 1905, 3,198 in 1916, and 3,784 in 1927. Every branch is backed by the whole resources of the parent bank.

The bank notes in circulation have increased between 1867 and 1926 from $9,346,086 to $168,885,995, and bank assets from $78,294,770 to $2,864,019,213.

The deposits in Canadian banks in 1867 amounted to $31,375,316. On December 31, 1926, they stood at $1,981,652,000 with an additional $334,458,000 in branches alone.

The volume of business done in Canada through our banks as shown by cheques paid, amounted last year to $30,358,000,000.

# Nova Scotia

THE history of Nova Scotia is older than that of any other Province of Canada. Cabot landed on Cape Breton in 1497 and first raised St. George's Cross on American soil. De Monts and Champlain, in 1605, made a settlement at Port Royal (Annapolis Royal). For over a century there was almost continuous conflict between the English and the French, until, by the capture of Louisbourg (1758), French rule ended in what is now called the Maritime Provinces.

Nova Scotia, with a population approching 600,000, is a peninsula 386 miles in length by from 50 to 150 miles in width. The coast facing the Atlantic is, for the most part, rocky and barren, but the waters yield a rich harvest of fish; the land along the Bay of Fundy is highly productive, particularly noted for its fruit growing.

In early days Nova Scotia was known as Acadia, but its present name really dates from 1621, when Sir William Alexander obtained from King James I a grant of the territory which now constitutes both Nova Scotia and New Brunswick. The British gained a firm and abiding foothold in the province when Halifax was founded in 1749.

From the first days of British rule almost to Confederation the history of the province was a history of the struggle for responsible government. Nova Scotia sent delegates to both the Charlottetown Union Conference and the Quebec Confederation Conference but there was a battle royal against entering the Union. Two strong men led the opposing forces, Howe and Dr. (afterwards Sir Charles) Tupper. In the end Tupper won; Howe yielded to the inevitable; Nova Scotia received "better terms" and with no degree of enthusiasm became a part of the Dominion.

The province is rich in natural resources. Its fisheries are vast and practically inexhaustible. In 1924 they had a total value of nearly $9,000,000. If the waters yield a rich harvest an even greater one can be dug from the earth. Vast coal beds exist, capable of yielding a supply, at the present rate of consumption, for seven hundred years. Besides coal and its by-products the province is rich in iron, gypsum, limestone, etc. Since 1860 there has been a steady production of gold; in one year, 1902, the yield being 30,348 ounces. Lumber and pulpwood to the value of about $30,000,000 are annually produced.

Nova Scotia has a fine Agriculture College, a general stock farm, a poultry farm, a horticultural farm, and two experimental farms. Although there has recently been a falling off in the field crops they are still about $20,000,000 in value.

The chief industry, apart from lumbering and the fisheries, the latter employing over 20,000 men, is the manufacture of iron and steel. About 20,000 people are employed in purely industrial occupations and the products are valued at about $30,000,000. Since 1605, when the first vessel built in Canada was launched at Port Royal, Nova Scotia has built, and is still building, many staunch and swift merchant and fishing vessels.

Her contributions to Canada have been great — commercially, politically and intellectually. The heads of the three leading universities of the Dominion have been from Nova Scotia—Principal Dawson, McGill; Principals Grant and Gordon, Queen's; and the present principal of the University of Toronto, Sir Robert Falconer. Likewise three prime ministers were born in Nova Scotia — Sir John Thompson, Sir Charles Tupper, and Sir Robert Borden.

## NOVA SCOTIA FATHERS OF CONFEDERATION

(1) Hon. ROBERT B. DICKEY, M.L.C., N.S.

(2) Hon. CHARLES TUPPER, Provincial Secretary, N.S.

(3) Hon. WILLIAM A. HENRY, Attorney General, N.S.

(4) ADAMS G. ARCHIBALD, Esq., M.P.P., N.S.

(5) Hon. JONATHAN McCULLY, M.L.C., N.S.

# The Story of Quebec

QUEBEC is the oldest, the most picturesque and the largest of all the provinces of the Canadian Confederation, the sixtieth anniversary of which is now being celebrated. Here Nature spent lavishly its treasures. If you come to admire its landscapes, this portion of Canada will make a strong appeal to your imagination; at the economic point of view, its natural resources are immense and offer great advantages to industries; its trade ranks near the top; its harbours are well equipped and amongst the most frequented of North America.

Quebec's area covers 703,653 square miles. About half of this area, or 351,-70 square miles, belong to the Ungava Territory annexed in 1912. The actual area of the old and new Quebec is more than three times the area of France and of Germany and also three times the area of Spain.

Modern physiography takes into account the influence of the characteristics of a country on its civilization. The physical aspect of this province is very diversified; mountains, hills, valleys, prairies, lakes and rivers abound in every direction. There are more than 185 rivers, the St. Lawrence and its tributaries forming a mass of running water almost unique in the world. The St. Lawrence river is 2,339 miles long, most of it being in the Province of Quebec. This province is also very wealthy in mineral and forestry products, but it is also proud of its past and of its French origin, remaining at the same time very cordial towards all the different races. Its population guard jealously the memory of their discoverers, the founders of their cities, their pioneers, their martyrs, their heroes and maintain their traditions under the conditions of modern life.

Its vast territory has hardly been touched, about half its population is rural; industries expand very rapidly. Quebec is the second province of the Dominion at the manufacturing viewpoint; lumber is its main industry, together with pulp and paper. Textile industry is next.

The area and variety of fertile lands, prosperous cities, natural wealth, forests, water-powers just in the process of being tamed and representing millions of potential horse-powers, all these exceptional advantages constitute, for the Province of Quebec, the promise of a bright future.

This land was first discovered by Jacques-Cartier in 1534, this distinguished captain taking possession of the country in the name of France, in erecting a cross bearing the coat-of-arms of his own country, on the shores of the Bay of Gaspe. Until 1763, this part of the country was known under the name of New France; from 1841 to 1867, it was called Lower Canada, and since Confederation, in 1867, its name is Quebec.

On hundreds and hundreds of miles, north, south, east and west, the Quebec country shows with pride the "habitant," everywhere recognized by certain essential characteristics, practising the same farming methods, possessing about the same amount of wealth, the same independence, the same large families, the same cordiality and gayety, the same spirit of hospitality, speaking the same language of France and remaining faithful to his Roman Catholic belief.

Quebec is the province of historical monuments; its annals are full of great deeds which have a special appeal for visitors of every country in the world, and as for the population of all the other provinces of the Dominion.

## QUEBEC FATHERS OF CONFEDERATION

(1) Hon. J. C. CHAPAIS, Commissioner of Public Works, Canada.
(2) Hon. GEORGE ETIENNE CARTIER, Attorney General, Lower Canada.
(3) Hon. THOMAS D'ARCY McGEE, Minister of Agriculture, Canada.
(4) Hon. Sir ETIENNE P. TACHÉ, Receiver General and Minister of Militia, Canada.
(5) Hon. ALEXANDER T. GALT, Minister of Finance, Canada.
(6) Hon. H. L. LANGEVIN, Solicitor General, Lower Canada.

# Prince Edward Island

PRINCE EDWARD was visited by Jacques Cartier in 1534, but he thought it part of the mainland. It was at first called Isle St. Jean (St. John Island) and this name it retained until 1789. The Indians called it "Abegweit" (Cradled-on-the -Wave). Champlain took possession of the island, in the name of France, in 1603, and it was formally ceded to the English in 1763.

The Island is about 145 miles long and in width from 4 to 35 miles. It has an area of 2,184 square miles. Save for some boggy and swampy land the whole Island is cultivable.

Its development was steady, and, in 1871 it had a population of 94,201—the densest in any part of British North America. There was growth in population until 1891 when it reached a maximum of 109,078, but the population steadily declined until 1921, the time of the last census, and it was then only 88,615. At first glance a bad showing; but it was due largely to the introduction of machinery on the farm. The Island had no large cities or large factories to absorb the population thus released. Unfortunately three-fourths of the emigrants went to the United States and were lost to Canada.

In 1864 the question of Maritime Union was under consideration at the Charlottetown Conference. This scheme was not found to be practicable and visiting delegates from Canada induced representatives of Prince Edward Island to attend the Quebec Confederation Conference. But the Island was flourishing, it had a government system to its liking, import duties were low, and it had no public debt. The leaders of public thought felt it would be wise to let well enough alone, and in 1865 the Assembly by a vote of 23 to 5 decided the terms offered were neither "Liberal nor just" and would have nothing to do with the Confederation scheme. In 1866 and 1870 the Assembly again went on record against Confederation.

But the Island began railway building. The Government, in 1873, found itself in a precarious financial position. The Dominion Government made liberal offers regarding the land question and the railway and the Island accepted "better terms" and joined the Canadian family.

Although there has been a decrease in population, there has been a steady increase in wealth. The sea continues to yield a rich harvest in fish, the fertile land yields large crops, particularly of oats and potatoes. Unfortunately there are few factories and those mainly to supply local needs, thus a large home market is absent.

The Island is the home of a quite recent industry, fox-farming. The first experiments in fox-farming were carried on in 1887. The work gradually attracted wide attention and by 1909 a number of farmers were engaged in the business. The war brought hard times for the fur-farmers and there were many failures. But the industry is now once more on a sound basis. In 1913 ther were 277 farms on the Island and in these farms 3,130 foxes; in 1924 the number of farms had increased to 458 and foxes to 13,990. The demand for Prince Edward foxes and pelts is extensive, both in Europe and America, on account of their superior quality. In 1924 the value of silver foxes on fur-farms was nearly $3,150,000.

Much attention is now being paid to scientific farming, dairying, cattle-raising, and wool production; the fisheries are being conserved; population is once more on the upward trend and the future of the "Garden of the Gulf' 'is exceedingly bright.

## PRINCE EDWARD ISLAND FATHERS OF CONFEDERATION

(1) Col., the Hon. JOHN HAMILTON GRAY, President Executive Council, P.E.I.

(2) Hon. GEORGE COLES, M.P.P., P.E.I.

(3) Hon. EDWARD PALMER, Attorney General, P.E.I.

(4) Hon. A. A. MACDONALD, M.L.C., P.E.I.

(5) Hon. T. HEATH HAVILAND, M.P.P., P.E.I.

(6) Hon. EDWARD WHELAN, M.P.P., P.E.I.

(7) Hon. WILLIAM H. POPE, Colonial Secretary, N.S.

COLONEL CHARLES A. LINDBERGH

*Distinguished Jubilee Guest at Ottawa.*

# Wings of the American Eagle

*Lindbergh,*
*Nested on the highest crag*
*Which rears an aureoled head,*
*To hold aloft the flag*
*Of the United States,*
*Preened his wings*
*For flight,*
*Across the Ocean of Atlantis,*
*An American Eagle.*

*Up from the sea*
*Neptune and his royal assembly*
*Arose to take watch;*
*And sang our hero victory,*
*Sang of Ulysses,*
*Who passed the spell*
*Or Sirein songs,*
*Breaking the thongs*
*Of Death.*

*Apollo in his chariot,*
*Marked Time across the heavens,*
*Keeping pace*
*With Young America's swift race*
*Through clouds, through hail,*
*And sleet—*
*Alone with God—*
*Unconscious of defeat.—*

*"The Spirit of St. Louis,"*
*Rises serene;*
*And in its race,*
*Beholds the stars*
*Face to face—*
*Wins from the heights*
*A laurel wreathe*
*To hang upon the sheathe*
*Of Young America,*
*Whose soul within*
*Its golden casement,*
*Gleams so brave, adventurous,*
*And clean.*

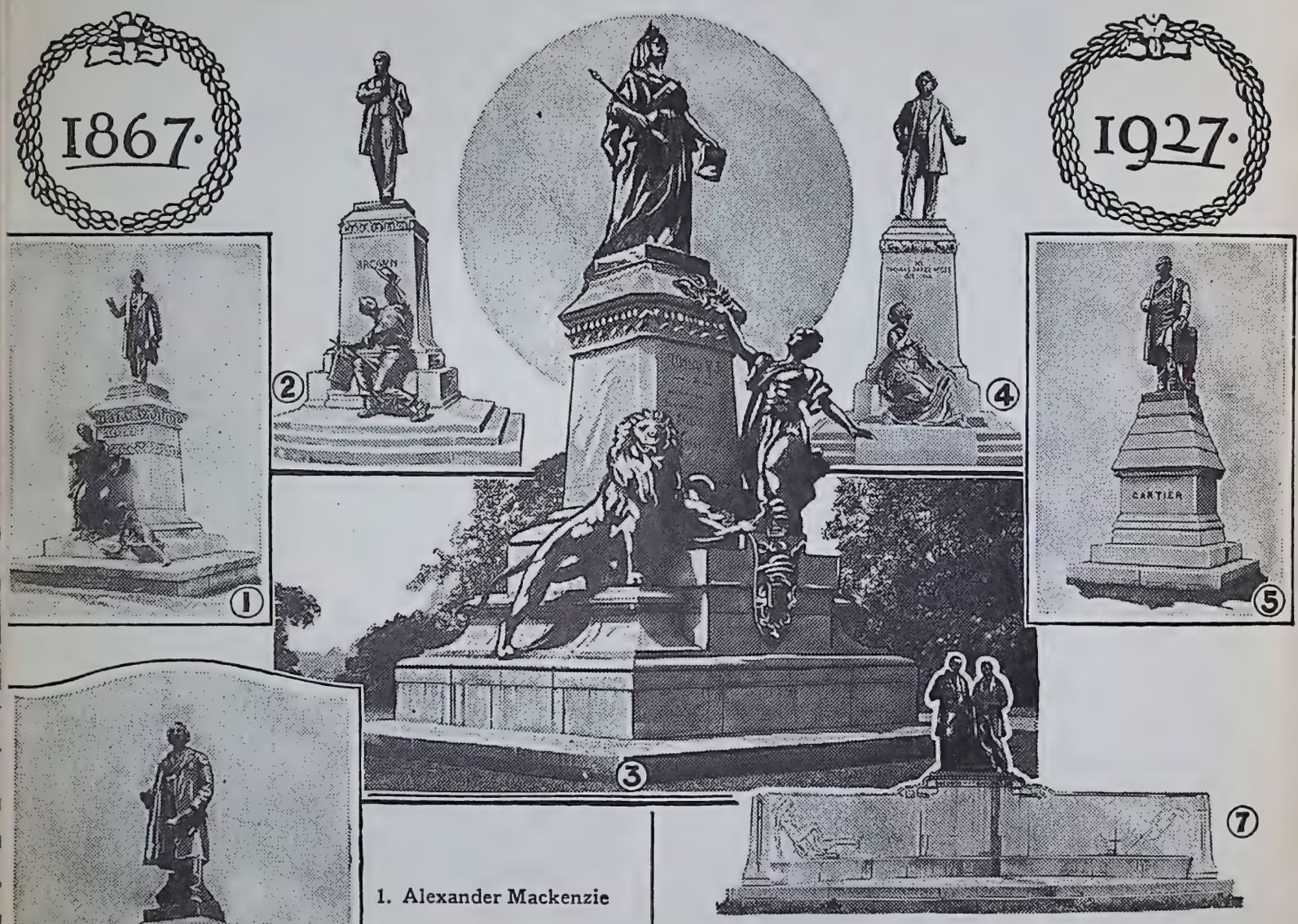
*Lindbergh, fore-runner*
*Of a Race of Winners,*
*Heard the thunder of glad victory*
*From Kings and Queens,*
*Presidents and Rulers—*
*First reached his goal,*
*And won for his country*
*The Crown of Heights attained,*
*On Wings of cloth and steel.*

*O Greece, O Rome,*
*Who chant a threnody*
*For charioteers*
*Mounted behind Steeds of Victory,*
*Behold our Sons of Mercury,*
*A God-like race,*
*Who drive their winged planes*
*Across the Amphitheatre*
*Of Continents,*
*Poised like birds*
*Who soar from north to south,*
*Beneath the arch of Heaven,*
*The Sons of Earth on wings.*

# Fox Film Corporation

***Presents***

## Story of Confederation in Bronze.




1. Alexander Mackenzie
2. George Brown
3. Queen Victoria
4. D'Arcy McGee
5. Georges-Etienne Cartier
6. John A. Macdonald
7. Lafontaine and Baldwin

Memorials on Parliament Hill, Ottawa, of those Great Figures in Canadian Life Whose Efforts Have Resulted in the United Canada, the Sixtieth Anniversary of whose Birth will be Celebrated July 1.

# Fox Film Corporation

*Presents*

# Stories of the World's News

IN THE

# Fox News Weekly

The Fox Programme represents a CONFEDERATION of the Finest Directors---Authors---Stars united to produce Fox Values.

# 12 MIGHTY FOX Profit Pictures

## Loves of CARMEN

*with*

DOLORES DEL RIO

*and*

VICTOR McLAGLEN

*Based on the story by* PROSPER MERIMEE

*Adapted by* GERTRUDE ORR

RAOUL WALSH
*Production*

## THE JOY GIRL

The Matrimonial Mixups of a Fortune Hunting Flapper

*with*

OLIVE BORDEN

Neil Hamilton — Helen Chandler
Marie Dressler — Mary Alden
Jerry Miley — Jimmy Grainger, Jr.

*and*

A Flying Squadron of Palm Beach Beauties

A Saturday Evening Post Story
*by* MAY EDGINTON

ALLAN DWAN
*Production*

## PAID TO LOVE

Youth versus Beauty in a High-Tension Love Story Romantically Unfolded

*with*

GEORGE O'BRIEN
VIRGINIA VALLI

J. Farrell Macdonald
William Powell

*Story by* HARRY CARR
*Scenario by* WILLIAM COUNSELMAN

HOWARD HAWKS
*Production*

## Just a of the box office offers you coming

A Comedy of Two Rookies Who Went

## A.W.O.L.

*(temporary title)*

*with*

TED McNAMARA
SAMMY COHEN

Betty Francisco
Judy King
Holmes Herbert

*Story by* WILLIAM COUNSELMAN *and* EDWARD MARSHALL

BEN STOLOFF
*Production*

## THE ESCAPE

A Melodrama Extraordinary based on PAUL ARMSTRONG'S Stage Hit

*with*

JANET GAYNOR

*and*

CHARLES FARRELL
*(The Immortal team from "7th Heaven")*

RAOUL WALSH
*Production*

A Mystery Drama Laid in the Streets, Cafes and on the Roof-tops of Paris

## BALAOO

An American adaption of GASTON LEROUX'S tremendous stage success

VICTOR SCHERTZINGER
*Production*

# EAST SIDE, WEST SIDE

From the novel by FELIX RIESENBERG

The Real New York as depicted in Today's "Best Seller"

*with*

GEORGE O'BRIEN

Virginia Valli

J. Farrell Macdonald

ALLAN DWAN

*Production*

# HANGMAN'S HOUSE

*From the sensational novel by* DONN BYRNE

*with*

CHARLES FARRELL

Virginia Valli

J. Farrell Macdonald

A Story of a Man and a Girl who were like the thoroughbreds they loved

JOHN FORD

*Production*

JANET GAYNOR

*in*

# 2 GIRLS WANTED

A Drama of One Girl Who Got What She Wanted

*with*

Glenn Tryon — Doris Lloyd

Ben Bard — Alyce Mills

Joseph Cawthorn

*Based on* JOHN GOLDEN'S *New York stage hit*

By GLADYS UNGER

ALFRED E. GREEN

*Production*

# small part greater hits FOX for the reason

# SILK HATS

*A Story of the Underworld*

Made for Your Box Office

*with*

MADGE BELLAMY

VICTOR McLAGLEN

EDMUND LOWE

RAOUL WALSH

*Production*

# LUNA PARK

All the Life, Color and Thrills of Carnival Life

*with*

VICTOR McLAGLEN

GRETA NISSEN

CHARLES FARRELL

HOWARD HAWKS

*Production*

Youth, Glorious Youth Dominates

# THE GIRL DOWNSTAIRS

*with*

OLIVE BORDEN

EDMUND LOWE

Clifford Holland

Written by MAY EDGINTON, *author of* "THE JOY GIRL"

FRANK BORZAGE

*Production*

*also*

## The World's Greatest Motion Picture

# WHAT PRICE GLORY

*with*

VICTOR McLAGLEN - EDMUND LOWE

DOLORES DEL RIO

*From the stage play by*

LAURENCE STALLINGS *and* MAXWELL ANDERSON

RAOUL WALSH production

# The Child at the Gate

**EDITOR'S NOTE—The heading of this page was suggested to me after witnessing the first float in Toronto's pageant parade of floats, celebrating the Diamond Jubilee, "The Child at the Gate," indicating that the child is the future custodian, or gatekeeper of the Confederation of Canada as bequeathed to them by the Fathers of Confederation. In publishing these essays and poems, unedited, original works of the children herein inscribed, the editor is inspired to show the British Spirit which manifests itself in the children of Canada.**

## Four Cheers

By JAMES SMITH—Age 10
Prep. School, U. C. C., Toronto

Ladies and Gentlemen:

Do you remember way back when Columbus, Cabot, Cartier and Champlain, came across to an unknown land for the sake of their king? When Laval, Marquette, Joliet, explored and claimed new lands for France? Do you remember Wolfe who captured Quebec from the French who had held it ever since the days of Champlain, thus making Canada British? He it was who made Confederation possible. Do you remember the American Revolution and how Carleton saved Canada from the Americans? Then we must not forget Laura Secord who by a clever ruse saved the chief British post from the Americans and thus inspired the British soliders so much that they won back all their posts and forts. She too, helped to make Confederation possible. Do you remember the United Empire Loyalists? They can be counted among the world's greatest heroes. Then we at last come to Confederation and its fathers. People call the men who signed the Confederation, the Fathers of Confederation, but I call MacDonald the Father of Confederation and the rest of the men the sons of Confederation.

Now Ladies and Gentlemen, isn't Canada wonderful? Hasn't she had her history and hardships like any other nation? Yet with all her greatness, she is still loyal to England, her mother. One incident of her loyalty which I know of is when I was at the "Merrymakers," Sunnyside. A man got up and sang a song about England. He hadn't any too great a voice, but as it was about England the people applauded him so much that he got up and sang it over again.

Then think how Canada treats the people of other nations who come over to Canada to make their home. How she builds schools, parks, playgrounds and hospitals for them, and how she grants them lands for a very small sum until they prosper enough to be able to pay more.

So now that we are celebrating Canada's Diamond Jubilee, let us all give four cheers and two tigers for Canada.

GERALD FREDRICK LEVENSTON

### AN ODE TO THE PAST

*As I wander down by a little brook*
*I think of the wondrous past,*
*Of Claxton printing his first book,*
*Of Columbus at his mast.*
*Of Drake's voyage round the world,*
*The discoveries of men renowned,*
*Where the English flag mightily unfurled,*
*Where great Australia was found.*

## CANADA

By *Gerald Fredrick Levenston,* age 12
Pupil of St. Clements College, Toronto.

*The wind softly blows o'er the grass,*
*The daisies in the fields are very fair,*
*The air is fragrant, and, as a sheet of glass*
*The pond is still. The Gentle Nature's care*
*Makes all things thrive, and every year*
*The apple trees do blossom, and bear fruit,*
*While the good earth, like a wise old seer*
*Keeps whispering, and ne'er is mute.*
*Nature is supreme in Spring again,*
*And all that slept through cold Winter's days*
*Awaken with the light refreshing rain,*
*While old Sol bids a welcome with life-giving rays;*
*Thus doth Nature express herself*
*In Canada, my native land,*
*Nourishing her young, strong sons always*
*Who take command.*

## Canada's Progress Since Confederation

By GERTRUDE LEWIS—Age 14
Pupil of Keele St. School, Toronto

CANADA, the gem of the empire, celebrates her sixty years since Confederation on July 1st, her "Diamond Jubilee."

There was a vast territory in Canada which was not united. The main object was to unite it into a union. The Fathers of Confederation, who are Sir John A. MacDonald, Cartier, Tilley and Tupper and their equally great associates worked on this plan, little thinking of the wealth and prosperity Canada would obtain in the years to come. From the little Canada of 1867, which consisted of Quebec, New Brunswick, Nova Scotia and Ontario, there is now a vast country stretching from the Pacific to the Atlantic Ocean.

Sixty years ago the pioneer, who was devoted to cultivating the soil, little thought of the wealth and potentialities Canada would obtain in the future. When we come to consider the large supply of mineral resources, as well as products of the soil obtained from these various provinces that the Fathers of Confederation thought were only vast tracts of bleak, barren, frozen land, that would not yield a crop of any kind, it seems miraculous that they now yield some of the largest crops that the world has ever known.

The inventions in Canada have increased innumerably. The inventor of the telephone was a Canadian who lived at his beautiful home in Tutela Heights. The telephone has been in existence for half a century and its inventor Graham Bell well deserves credit.

Sixty years ago, we did not have the conservatories of music where we might study music and theory. Now we have our studios and conservatories where we may get a thorough musical education. To Ernest McMillan, principal of the Toronto Conservatory of Music, to the Mendelsohn Choir and to the late Dr. Vogt, Canada owes a vote of thanks musically.

In our own city of Toronto, we possess a magnificent art gallery, where portraits worth millions of dollars are displayed.

We also possess the largest annual exhibition in the world. The Canadian National Exhibition which this year will celebrate its forty-ninth consecutive year; and on account of the "Diamond Jubilee" will exhibit food products from the European countries. This exhibition also boasts of having the largest choir on the North American continent.

The part Canadian soldiers played in the Great War is one of honour, valour, and strength. After the war, Canada signed in the League of Nations as a nation within a nation that had fought under the Commonwealth of Great Britain.

The Fathers of Confederation may well be worthy of having their names writ into Canadian history, for they have made a fine country with its poets, artists, scientists, its men of culture and learning, its soldiers of the Empire — Hail Canada, the Free!

*"To the Lieutenant-Governors of the Provinces of Alberta, Saskatchewan, British Columbia, Manitoba, Quebec, Nova Scotia, New Brunswick and Prince Edward Island:*

*"On behalf of the Government and the people of Ontario, I desire to extend most cordial and enthusiastic greetings through your Honor to the Government and the people of your Province on the occasion of the Diamond Jubilee of Confederation.*

*"We earnestly associate ourselves with all Canadians in feelings of gratitude and pride for the blessings and achievements of the past, and in the hope that our union of hearts and efforts will knit our people more closely together for the welfare and happiness of our common country and the lasting benefit of our world-wide British heritage.*

*Lieutenant-Governor of Ontario."*

# First Link in Famous Chain

## *N. L. Nathanson Sees Canada as Important Motion Picture Centre.*

EARLY IN 1916 a small group of Canadian business men met in Toronto to consider the building of a first class moving picture house in this city. Up to that time moving pictures were being shown in Toronto either in old legitimate or vaudeville houses, or in remodelled business premises. One of these business men was convinced that the motion picture Industry had not only come to stay, but had great possibilities from the standpoint of investment, providing the proper people could be interested. As a result of this, and other meetings, the first de luxe motion picture theatre in Toronto was conceived and finally took shape in the Regent Theatre, which, at that time, was considered to be the last word in moving picture house construction.

*N. L. Nathanson Leads.*

THE GROUP of business men referred to above consisted of Messrs. J. P. Bickell, N. L. Nathanson, W. J. Sheppard and J. B. Tudhope, and the man who believed in the possibilities of the motion picture Industry in Canada was Mr. N. L. Nathanson. In the light of subsequent developments it is difficult to believe that this comparatively recent event really represented the inception of an idea that was to ultimately develop into the Famous Players Canadian Corporation, Limited, and the large group of Companies with which it is affiliated.

*Pushing Forward.*

THE BUSINESS MEN who had financed and backed this enterprise at a time when financial interests, generally, were very skeptical, were not long content to stand still. Other theatres were acquired, notably, the Strand and Alhambra Theatres, of Toronto, and by 1919 the number of theatres operated by this group had reached twelve. The success that had attended their efforts to date had convinced them that there were really great possibilities in the moving picture business and they gradually visualized a chain of theatres stretching from coast to coast owned and operated by Canadians. The plan that was, finally, formulated was an extensive one and was one that would require a great deal of capital to carry it to completion. This plan was laid before other large financial interests in Canada and, as a result, application was made to the Secretary of State for a charter for the Famous Players Canadian Corporation, Limited, which charter was finally issued under date of 23rd of January, 1920.

*Authorized Capital* $15,000,000.00.

THE AUTHORIZED CAPITAL of the new Company was $15,000,000.00. of which amount $12,500,000.00 was issued to shareholders in every part of Canada. From the proceeds of the sale of the stock a great building program was launched and large modern motion picture houses were erected in Montreal, Toronto, Sault Ste. Marie, Winnipeg, Regina, Calgary and Vancouver, to become the nucleus of the great chain of theatres now owned, or operated by the Famous Players Canadian Corporation, Limited.

Although 1920, in which year the Famous Players Canadian Corporation, Limited, came into being, was one of rather serious business depression, progress was not halted and even in that year, as in each succeeding year, the Company expanded steadily. Some idea of this development can be gathered from the following figures:

*Number of Theatres Owned or Operated by Famous Players Canadian Corporation, Limited.*

| | |
|---|---|
| 1920 | 14 |
| 1921 | 26 |
| 1922 | 27 |
| 1923 | 37 |
| 1924 | 48 |
| 1925 | 56 |
| 1926 | 60 |
| 1927 | 82 |

In addition to which, the Company has substantial shareholdings in 37 other theatres, making a grand total of 119 theatres owned, operated or affiliated with the Famous Players Canadian Corporation, Limited; an enterprise inspired, promoted and managed by Canadians, with an almost entirely Canadian list of shareholders.

*Quarterly Dividends Paid.*

DURING ALL THESE YEARS the shareholders had faith in the enterprise and showed their faith by subscribing and paying for the First Preference stock issued. They have found their reward in the shape of quarterly dividends which were paid regularly during the years of depression and which they have received regularly to date. As more than 95 per cent of these shareholders reside in the Dominion of Canada they must also have derived considerable satisfaction in following the development of this Company that they were so largely responsible for. That they have been, on the whole, entirely satisfied is proven by the fact that the vast majority of the original shareholders have continued to hold their shares and, in the majority of cases, where these original shares have been sold they have been purchased by other shareholders.

*The Master-Director.*

THE COMPANY has been particularly fortunate in the personnel of those responsible for its policies and a glance at a list of its directors is sufficient proof of this assertion. Prominent as these men are in their respective lines of endeavor, there is one on whose shoulders the great burden of responsibility has been placed, namely, Mr. N. L. Nathanson, who has been the Managing Director of the Corporation since its inception. His has been the master mind. He was the dreamer of dreams that have come true. His fellow directors would be the first to admit the truthfulness of this assertion. From the first those who were interested with him financially accepted his judgment and were content, to a large measure, that he should direct the policies of the Company, and the pre-eminent position of the Corporation of which he is the active head is proof that their confidence was justified.

Mr. Nathanson early realized that the real strength of a theatrical organization was its man power and with this thought ever in his mind he has developed, or drawn to him a staff of executives and business associates who are to a man proud of the organization to which they belong.

*Famous Players' Showmanship.*

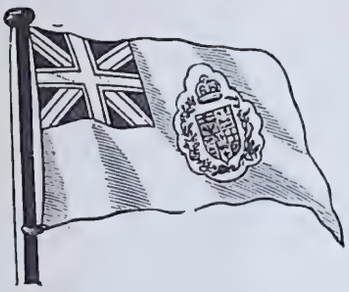
IT HAS BEEN SAID that an organization represents its guiding factors, the Famous Players organization represents its dominant personality, Mr. Nathanson, whom most of his business associates and friends call "N.L."

(Continued on Page 104)

# ELECTRIC

## The Macey Sign Co. Limited

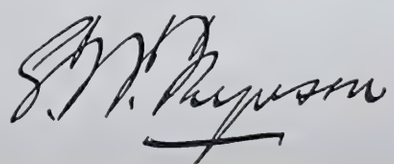
Head Office: 75 Elm St., - Toronto



*"Let there be light" and there was Light. The glory of Canada's Diamond Jubilee which has blazed its trail of Jubilation across the Dominion, from sea to sea. So do we who specialize in Electric Signs.*

**"Blaze Your Trail"**

*In connection with the celebration of the Diamond Jubilee of Confederation, it is my earnest hope that we will endeavour to keep in view the vision of the greater development of Canada as a portion of a stronger and wider Empire, which will exercise its influence for good for the benefit of the world at large. To bring this about it is essential that all Canadians should follow the inspiring example of the Fathers of Confederation, and keep their eyes fixed upon the larger things in our national life. The efforts of the whole people of Canada should be so co-ordinated that territorial limitations or other considerations of a local character will not interfere with complete unity of action or in any way restrict the future progress of our country.*



*It is an inspiration to have had an opportunity to watch the development of Canada; to have observed the unification of its Provinces year by year, and Canada assume a position of national dignity and importance.*

*The celebration of sixty years of Confederation, which marks Canada's Diamond Jubilee takes on an international colour.*

*As a nation among nations, a nation within the British Empire, our country has upheld her traditions and symbolized that spirit which inculcates Liberty, Freedom, Unity, Peace and Prosperity.*

*As one of its younger sons, my hope and wish for Canada's future is that she will develop and realize the vision foreseen by the Fathers of Confederation.*

R. L. Hathaway

# The Progressive Business Element of Harvard

## Guiding Spirits who gave the Industry of Motion Pictures an Academic Degree

**EDWARD W. FORBES**
Lecturer on Fine Arts and Director of the Fogg Museum of Art at Harvard.

**Professor PAUL J. SACHS**
Associate Professor of Fine Arts, and Associate Director o fthe Fogg Museum of Art at Harvard.

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## Series of Motion Picture Lectures Introduced

**DEAN WALLACE B. DONHAM**
of the Harvard Graduate School of Business Administration.

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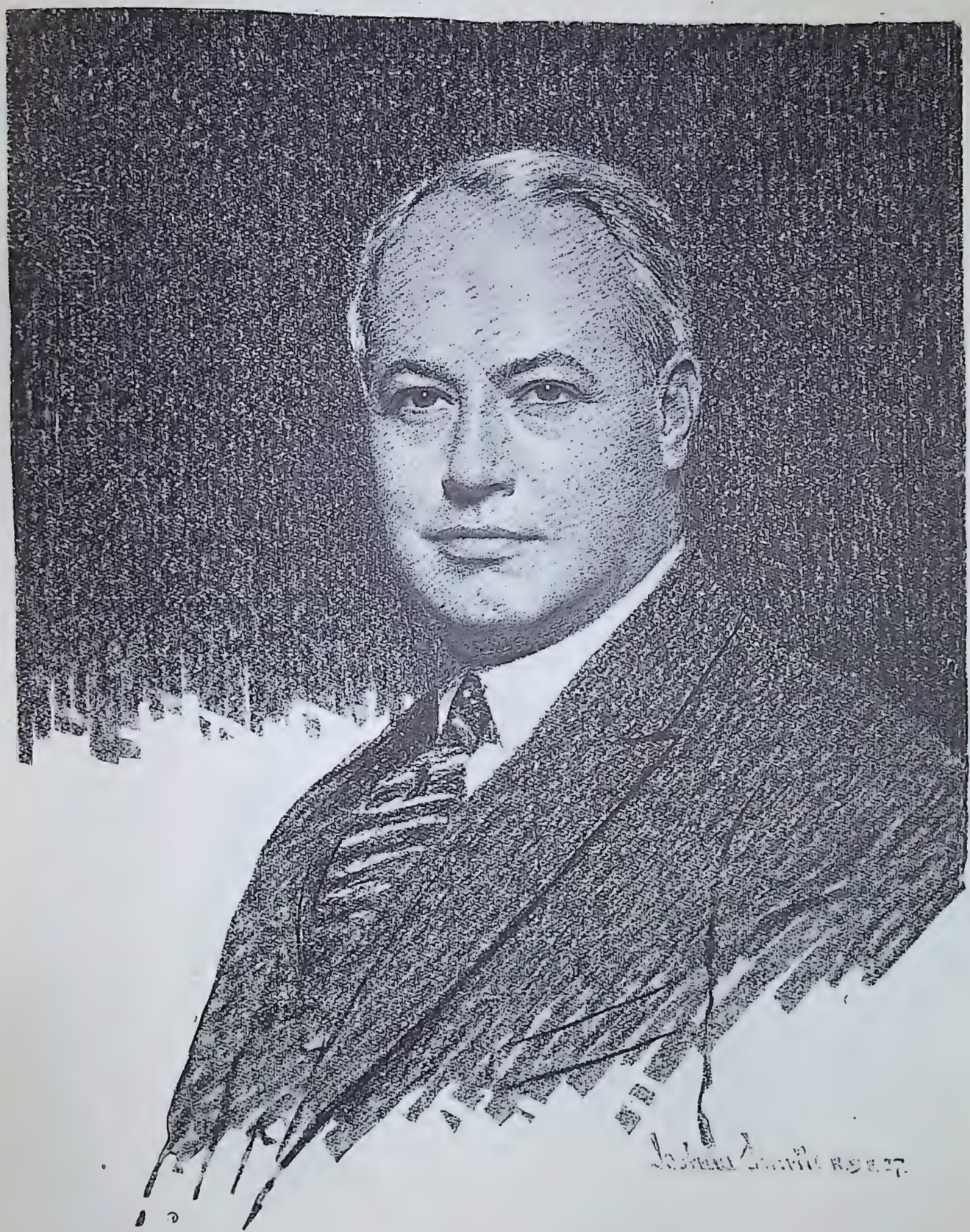
## Fogg Art Museum Opens Motion Picture Library

**Professor CHANDLER R. POST**
Professor of Greek and Fine Arts and Chairman of the Harvard Committee in charge of the Film Library at Harvard.

## Younger Art--Old College co-operate for Mutual Good

**Professor NATHAN ISAACS**
Professor of Business Law in the Business School of Harvard University.



*Certainly no country on the face of the earth enjoying sound and stable Government offers equal opportunities for achievement or contains such vast undeveloped natural resources awaiting only the initiative, energy and vision necessary to convert these potentialities into realities, as the Dominion of Canada.*

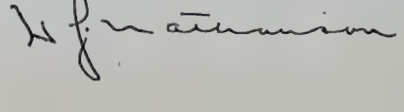
*Every worth while Jubilee Review must have an additional value and it is particularly desired that in this Celebration a true conception of Canada's past and future may be indelibly impressed upon the minds of young Canadians. If in this we are successful, the result will be manifest in a greater national pride and a Canadian patriotism genuine and lasting.*

J. W. Dickson

*The celebration of the Diamond Jubilee of Confederation also marks 30 years of the growth of a Canadian Motion Picture Industry, which has kept pace with the marvellous development of our country. I am proud to be able to participate in the Jubilee festivities and extend my sincere good wishes to Canada for its continued growth and prosperity.*

Arthur Cohen

*Canadians cannot but show a pride in the development which the Diamond Jubilee of Confederation symbolizes. The growth of Canada agriculturally, as a world trade centre, from an angle of mining, forestry, from a motion picture angle, considering the population of the entire Dominion, is phenomenal. Rich in enterprise, in resources, in ambition and in unity, in its British inheritance and the legacy of its Fathers of Confederation, we foresee for Canada a most important place in the world of nations.*



# Young Canada to Young America

By RAY LEWIS

*All hail, United States,*
*Young Canada greets you,*
*Heard about your fame*
*Through Young America,*
*Your writers too,*
*Who forever acclaim you*
*Great among nations;*
*Canada I said,*
*Is my name—*
*Where do I live?*
*Right across the street,—*
*The land of the hay and wheat,*
*The land of the Morning Sun,*
*A sun which rises gaily,*
*And at the close of day,*
*Reluctantly goes on its way,*
*Making such a colorful exit*
*That you stand and pray,*
*When your sun has set,*
*You may go that way—*
*There is rye, barley and oats,*
*And every kind of grain*
*On which the human dotes,*
*And soil mellow*
*For their sowing,*
*There is a treasure*
*In metals and in our lakes*
*The whole menagerie*
*Of God's Fishery;*
*Forests upon which pulp*
*Your Constitution has been writ—*
*We are as Aladdin's Lamp,*
*Just rub us up a bit!*

*We are just about as old as you,*
*With the same inheritance*
*Which grew your sinew—*
*Over a hundred years ago*
*We entered into*
*An argument with Mother,*
*We preserved her rule*
*Which you considered arbitrary,*
*Looking back into it,*
*We must admit,*
*Her dictation was contrary;*
*But don't blame England—*
*Live moves*
*In a trinity of action,*
*We, in Canada*
*Represent the faction*
*Called preservers,*
*You are the builders*
*Destined to show*
*How new things grow,*
*You tear down the old,*
*And build anew*
*A citadel,*
*According to your view.*

*If you will go back*
*To 1789,*
*Or care to divine*
*Still further back*
*Along that track,*
*You will observe*
*Canada and the States*
*A people of one nation,*
*You will recollect*
*The incident of tea taxation,*
*It seems a little thing*
*O'er which to make division,*
*But little things*
*Such as these*
*Make history,*
*And change the geography*
*Of nation 'twixt nation.*

*It appears queer to me,*
*That we,*
*Canada and*
*The United States,*
*One country,*
*If the word boundary*
*Were not there,*
*Should ever care*
*That each took*
*A separate road;*
*Each bore a load*
*Towards progress;*
*And each met with success*
*According to the degree*
*Of their destiny,*
*Yours was for an economic*
*Independence,*
*Ours for the preservation*
*Of a loyalty*
*To King and Crown,*
*Who knows whose road*
*Is best?*
*Time has made*
*The Mother Country*
*Still your Mother,*
*'Though you are not ruled*
*Under her sovereignty,*
*More tolerant in her attitude*
*Toward Democracy.*

*It may be,*
*That you have been*
*The Instrument*
*Through which the world*
*Shall win*
*A Republic Liberty,*
*It may be,*
*That we as Young Canada,*
*Have preserved our integrity,*
*To teach you,*
*Who are flesh of our flesh*
*And bone of our bone,*
*That Independence,*
*Commercial success*
*Are only valued*
*By the height*
*To which the spirit*
*Of a Nation has grown.*

*One of your "kickers"*
*Called your skyscrapers*
*Towers of Babel,*
*But Young Canada's view*
*Sees the urge under which*
*These buildings grew,*
*Not that you*
*Might outgrow the power*
*Of your God,*
*Wresting Him*
*From His Place*
*In the Infinitude of Space,*
*But that you*
*Might climb to Him,*
*Upon the steps you wrought,*
*Meeting your God,*
*Face to Face,*
*Showing Him what*
*He Has Begot—*
*No other nation*
*Could be so original*
*In sense of presentation.*

*Young Canada*
*Loves to view*
*Sky and land*
*In harmony,*
*One balancing the other,*
*Neither in command;*
*We love to see*
*The blue sky's mystery,*
*And the affinity*
*Between the green of grass*
*And the green of sea.*
*We love to vision*
*God's country*
*Unlimited in length*
*And breadth,*
*With a limitless opportunity*
*To inhale God's breath.*

*But I like the go in you*
*Your capacity for play,*
*And the work you cram*
*And jam into a day.*
*I like your way*
*Of living and loving,*
*Your naive talk*
*About your greatness,*
*Your enthusiasm*
*For your own country,*
*And your adoration*
*Of the Stars and Stripes,*
*Symbol of your unity.*

*I like the boy in you,*
*The boy who romances,*
*Kills giants,*
*Captures treasures,*
*From pirates,*
*The boy who is such a joy*
*When with legs apart,*
*And thumbs helping to impress*
*The expanse of chest*
*He rejuvenates your heart;*
*No one who has vision*
*Seeks to suppress*
*This tendency to dress*
*Each occasion*
*With ostentation,*
*For the youth*
*Who never dreams,*
*Fulfills no dreams,*
*And this is true*
*Of a nation.*

*Therefore to the Dreamers in you,*
*Young United States,*
*I call, All Hail,*
*When you are as old*
*As the countries*
*Divided from you*
*By sea and sea,*
*That will be time enough*
*For the conservative degree.*

*I have heard Young America*
*Call you Babylon,*
*But this is not true,*
*Of the real you,*
*Full of virility,*
*Taking command*
*In a land*
*Where the limit*
*Is limitless,*
*And the passion for doing*
*And loving*
*Is infinite.*

*I have heard you called*
*Simon Legree,*
*Symbol of the Third Degree,*
*A whip upon the back*
*Of Young America,*
*That he might give*
*As individual*
*And collectively,*
*Every ounce of vitality*
*To what the States*
*Of America lack!*

*I have found you*
*A Mecca,*
*Toward which Art*
*Comes to kneel,*
*And be adored,*
*The Art of the Masters,*
*And the new art,*
*Expressionism, Jazz,*
*Which the old art*
*Would have abhorred;*
*The Art of all ages,*
*Hallowed in Cathedrals,*
*Which like greybeards*
*Denote a hoariness*
*Sufficient to greet the age*
*When gods and goddesses,*
*Prophet and sage,*
*Ruled empirically;*
*All to the United States*
*Have come,*
*First the oppressed masses*
*Seeking liberty and bread,*
*And then the liberated classes.*
*The mystics of all nations,*
*And of all nations the head;*
*Pilgrims of yesterday*
*To teach the pilgrims*
*Of Today.*
*Yea — Yea —*
*Verily I say unto you,*
*They speak a language,*
*Which America*
*Will translate*
*Into the language*
*Of each state;*
*And from each of these*
*Will take*
*The Golden Thread,*
*The Thread which binds them*
*To their own Godhead,*
*To weave into a frieze,*
*A tapestry of the people,*
*By the people,*
*For the people*
*Of the United States.*

*All hail, Young America,*
*Your destiny was spun*
*By the Three Fates,*
*They wove your flag*
*Of Stars and Stripes,*
*The Stripes the flail*
*Through which you will see*
*The Vision of the Stars,*
*Of your celestial unity,*
*Symbol of your Holy Grail.*

*I wandered into a Church,*
*The Church of Saint Bartholomew*
*And sat in its pew,*
*To hear Young Canada preach*
*The Humanity Christ sought to teach,*
*Young Canada in the pulpit,*
*With Young America "listening in,"*
*Catching the exaltation*
*Of a spirit to win*
*From God's Station—*
*A poet from my own country,*
*Preaching in parables,*
*With full interpretation,*
*Christ's poetry;*
*And in that church*
*In which was found*
*All nationalities,*
*There was that Imagery,*
*Wings still shielding His Face*
*Of the God of the United States,*
*Being sculptured for his place;*
*Young America*
*Drawing in the grit,*
*The vitality,*
*The Spirit of Democracy,*
*To make this god fit*
*For his divinity!*

**Centre of Canada's Confederation Celebration**

# Canada and Her Big Neighbour

IT IS NOT necessary to remind ourselves of the Hundreds Years of Peace to realize that the relations between Canada and the United States have been on the whole remarkably friendly and even cordial since Confederation, and probably they have never been more so than they are to-day. Many things have contributed to the fortunate situation—one not so common between neighbouring nations as not to excite surprise. Canadians and Americans should of course be able to get along well with one another. They speak the same language, have what is practically a common literature, obey (or otherwise) much the same laws, and have much the same democratic point of view toward social and political problems. They move backward and forward across the international boundary freely enough to know each other, and find life on the other side very similar to life at home. Each probably thinks that his own kind of government is a degree or two better than that of his neighbours, but that is perfectly natural and inevitable, and does not make for bad feeling, and, to crown other reasons, many of us on each side of the line have friends and relations on the other.

Looking back across sixty years one finds the two countries engaged in many controversies over questions in which they were mutually interested—some of which, had they arisen in Europe, would almost certainly have led to war. Here they resulted in nothing more serious than such temporary irritation as the supporters of one hockey team feel for its successful rival. A case in point was the Alaska Boundary question, and in that case Canadian indignation was directed not so much towards the United States as towards the British representative who by voting with them decided the case against Canada. No one who knew the character of the man believed for a moment that he had acted in bad faith.

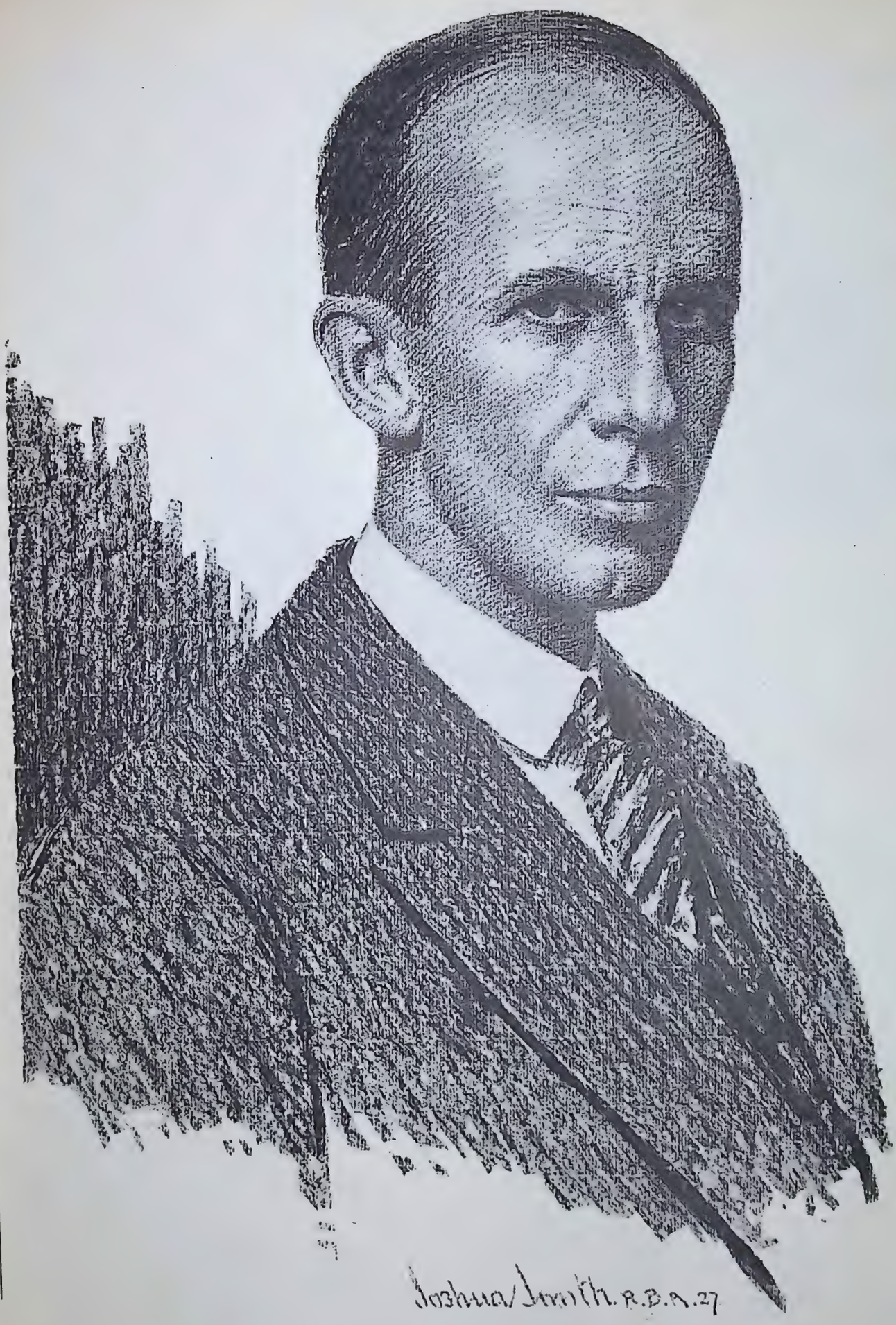
The question of reciprocity has been a fruitful source of negotiation between the two nations. The old Reciprocity Treaty of 1855 had been of great value to Canada, but for one reason or another it did not suit the United States, and in 1866 it was abrogated at their instance. For many years after that Canadian statesmen made proposals for a renewal of the treaty in various forms. Sir John Macdonald, George Brown, Tupper and Cartwright at various times made proposals to the Americans, but without result. The United States preferred to build a high tariff wall around the country and keep within it. Then when they were inclined to let down the barrier, public sentiment had changed in Canada. Whether the two countries will ever reach common ground in trade reciprocity remains to be seen.

The inland and sea fisheries, the Bering Sea seal question, the privilege of taking goods through one country or the other in bond, the question of copyright on books, the matter of extradition, and innumerable other problems affecting the relations of Canada and the United States have come up from time to time, and have been disposed of without any serious difficulty.

Various commissions have been set up to deal with particular or general questions in which the two countries were interested. One of these was the International Joint High Commission of 1898, which met at Quebec and later at Washington. It discussed a number of questions but did not come to any definite agreement on any of them. Another was the International Waterways Commission, appointed in 1902, which investigated and reported upon a large number of matters, and made certain recommendations which among other things led to the creation of the International Joint Commission, a permanent body which has been in existence since 1911 and has been of very great value to both countries. Still another is the International Boundary Commission, created in 1892, which has had the important duty of surveying and marking the international boundary between the Yukon and Alaska and between other parts of Canada and the United States. Finally the Diamond Jubilee has been fittingly marked by the appointment of a Canadian Minister at Washington and an American Minister at Ottawa.

CANADA IN WASHINGTON

**Home of Minister of the Dominion to the United States, Hon. Vincent Massey. The opening of the legation is one of the marks of Canada's progress in the Jubilee year of Confederation.**




*"A FIRM BELIEF IN CANADA'S FUTURE"*

(By *Vincent Massey*, the Minister from Canada to the United States. Excerpts as quoted.)

*"The First of July of this year not only finds Canada as a fully developed, free nation within the British Empire, but this date also marks the close of sixty years of unprecedented progress and at the same time gives full promise of inaugurating an epoch of even greater prosperity and still more rapid national growth.*

*"I am happy to present to the United States the sincere greeting of Canada on its significant connection in her history. In so doing, let me say that the Dominion possesses an abiding friendship for her great neighbour and a desire that the concord between the two nations will increase as the years pass."*

# College Men's Study of Films Is Welcomed by Art-Industry

## Joseph P. Kennedy Introduces Series of Addresses—Establishment of Library at Harvard Regarded of Importance—Lectures Telling First True Story of Motion Pictures, Mr. Kennedy Says—

THE CHRISTIAN SCIENCE MONITOR, of Boston, Mass., in its issue of Friday, March 18th, published the following story covering Joseph P. Kennedy's discussion in the motion picture course for seniors at the Harvard School of Business Administration:

"Joseph P. Kennedy, Harvard '12, president of Film Booking Offices of America, Inc., and virtual dean of the motion picture course current for seniors at the Harvard School of Business Administration, took occasion today, in the interval between yesterday's lecture by Jesse Lasky and tomorrow's by Adolph Zukor, to discuss the potential uses of men trained in college for the specific duties of the Industry.

Still adjusting himself with mild amusement to the fact that, for the moment, he stands in the relation to the student body of a professor, inasmuch as he supplements the lectures with office hours kept for the purpose of amplifying certain points from the knowledge gained in his own experience, Mr. Kennedy said it would be difficult to overestimate the effect not only of the lectures but of the film library to be established by decision of the Department of Fine Arts in association with the Fogg Art Museum and Widener Library.

This contribution of America's oldest university to one of the Nation's newest industries would be speedily passed on to the public in the form of higher production standards, and more selective artistry in picture-making in which this recognition and co-operative effort of a great university would be immediately apparent upon the basis of contributed facilities for study and research.

Mr. Kennedy said that the establishment of the lecture course marked the first instance wherein the true story of the business was being told by the men who have built it. He cited Terry Ramsay's recent book on the history of the Industry as a valuable contribution to the public information but said that no one, gathering material as a writer, could possibly view the history of the business in the light it is seen by men whose experience goes back of the last decade of spectacular development and reaches into the years which began two decades earlier and constituted the actual days of struggle for establishment.

Men taking the course, Mr. Kennedy thought, will have acquired a very important advantage over those who have become associated with the Industry without such technical training because such men will, at the outset, "know what it is all about," whereas the ground has been new and difficult to those who have entered the field by way of other, quite unrelated activity. He thought the Industry was just beginning to find itself, and that the fact of Harvard's recognition, to be followed shortly by a course Columbia University will offer on specific work of the Industry, would tend to bring into its executive and industrial ranks men of such calibre as would, in turn, strongly influence an upward tide in production and distributing standards.

Contrary to the prevailing view, Mr. Kennedy pointed out that it was not the people in great metropolitan centres for whom the Industry must make pictures, but for those in the suburban and outlying neighborhoods where attendance at moving picture shows was computed on a curve of little variance and whence the preponderance of the following the individual stars came from.

He said that much criticism of the so-called "star system" had not taken account of the fact that the great popularity waves were built on the basis of individuality and that in comparatively rare instances the public knew which great producing units its favorites worked for.

"The Industry needs today to think, not so much of the fact that a moving picture can be booked in New York for $50,000 today, but that a year from now it will be booking in a remote town for $5 a day, and it is the steady flow of nominal bookings rather than the single or double bookings at enormous figures which tell the tale of a picture's success in the final analysis.

"The Industry is moving forward now because banks are justified in helping it. That was a fact which had to be proven It has been. So far so good. Now that the problems of financing have become normally adjusted, for all reasonable purposes, we obviously turn to thinking of a strengthened production and distributing program.

"The serious interest of a university like Harvard, its co-operation in affording a carefully planned course and in beginning a great library collection is a step of equal, if not greater importance, because moving pictures are an art, and facilities for learning and the artistic side are more compatible with the progress of an art than sheer talk of credits, although money had to enter in."

At the end of the year the men who have taken the course, Mr. Kennedy said, would know if they desire to enter the Industry. There are places for them because more and more emphasis is being placed on training before employment rather than a haphazard, catch-as-catch-can suppy gained on the ground."

# Canadian Sales FBO Increase 300%

## P. C. Taylor, Canadian Division Manager, Looks for Great Year

When Joseph P. Kennedy, president of F. B. O. Pictures Corporation, purchased the company eighteen months ago, he immediately opened six exchanges in Canada for the express purpose of facilitating sales in the Dominion. P. C. Taylor was made division manager of the Canadian exchanges, in charge of the following branches:

Calgary, Alta., with Vernon Dixon as branch manager.

Montreal, Que., with S. E. Decker as branch manager.

St. John, N.B., with A. L. Gaudet as branch manager.

Toronto, Ont., with B. D. Murphy as branch manager.

Vancouver, B.C., with A. E. Ralston as branch manager.

Winnipeg, Man., with T. Newcomen as branch manager.

That this move was a wise one is evidenced in the reports from the sales department that business in Canada has increased 300 per cent in the last year and a half, and that the demand for F. B. O. pictures grows greater every day.

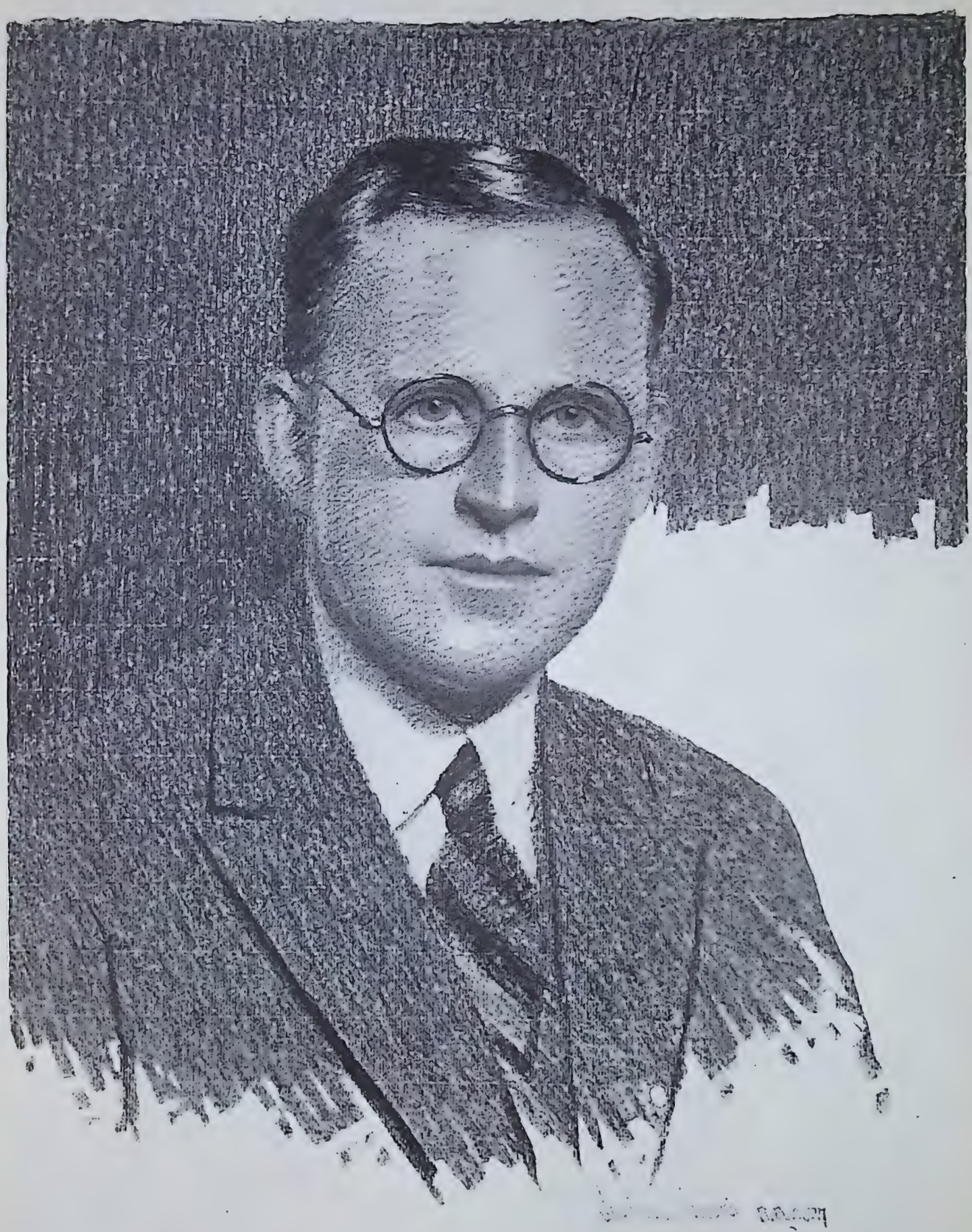
In commenting on the phenomenal growth of the company and the increased sales in Canada, Mr. Taylor said:

"I am certain that our unusual progress will continue during the 1927-28 season. The exhibitors who have booked our product in the past are all set to buy the 1927-28 line-up, which looks like the greatest array of box-office productions we have ever had.

"Exchanges in various parts of Canada help the sales organization cover a greater area and have been more than a convenience, both to the salesmen and the exhibitors.

"F. B. O. is making exactly the kind of pictures that appeal to the Canadian movie goers. Melodramas like 'The Great Mail Robbery,' 'Not For Publication,' 'Clancy's Kosher Wedding,' 'Shanghaied' and others on the 1927-28 schedule will always play to capacity audiences. The western pictures with Tom Tyler are also very popular, and the exhibitors are keen for the new "Buzz" Barton and Bob Steele westerns. The Ranger series have gone over very well, and we anticipate much business for the new series. The same is true of the short subjects. The Witwer series have always been very popular here, and we have made some excellent sales with the Fat Men series, the Whirlwind comedies and "The Beauty Parlor" series.

"We anticipate the greatest year in Canada in the history of F. B. O."



*I want to express my congratulations to Ray Lewis, the brilliant young editor of The Canadian Moving Picture Digest, who has done so much to foster friendly relations between the producer and the Canadian exhibitor; and to the people of Canada, both in and out of the Industry, on the celebration of the Diamond Jubilee, commemorating sixty years of the Confederation of the Provinces of Canada.*

Joseph P. Kennedy

# The Importance of Motion Pictures

## By WILL H. HAYS

*Address delivered by Will H. Hays, President of Motion Picture Producers and Distributors of America, Inc., 469 Fifth Avenue, New York City, before the Harvard School of Business at Harvard University, Tuesday Morning, March 15. Mr. Hays is the President of the Motion Picture Producers and Distributors Association of America. The speaker was introduced by Joseph P. Kennedy, President of "Greater F. B. O."*

THE IMPORTANCE of motion pictures is measured by the imperative necessity of amusement for the people.

They are the very democracy of entertainment, and as such have been taken into the hearts of the people of amusement. Just as you serve the leisure hours of the masses, so do you rivet the girders of society.

You are to consider the business side of the motion picture Industry. In the next few weeks you will hear a series of lectures from the most distinguished men in this extraordinary business.

These are men who have done the job. Each man who will speak to you is a pioneer. If they tell you of the trails that were blazed, the hardships that were undergone, the rivers that were bridged, the failures that were turned into successes they will be relating their own stories.

You will listen to no lectures that are written from reference books. These will be stories of commercial struggles as told by the survivors — stories of advances, retreats and final victories.

Most of these men were without wealth or fame when they started in the motion picture Industry. They have succeeded to their present positions through ability and perseverance. The motion picture Industry has not been a business for lucky men. The men who were just lucky have fallen far behind and as these leaders explain the details of their work you will realize that only men of courage and worth, and often of real genius could have brought this Industry to its present position.

It will be a splendid thing for the whole Industry of business — these lectures. Never before have these men told the stories they will tell here, never before have been presented such facts as you will hear. Always too busy heretofore to write the details of their business as only they know them, it remained for this course in Harvard to bring these leaders to the point where they would put it into historical or instructural form and when the lectures are ended, they will make a text book upon the motion picture business that will be of real value.

There is little wonder that the few and crowded years of the motion picture have been in some respects chaotic. The development of this Industry is analogous to the development of no other. When keen men saw the commercial possibilities in it, they set out in feverish haste on the world-old quest for gold, as the forty-niners did when the word came from Sutter's Hill that sent them around Cape Horn and overland across desert, mountain and plain, undaunted by peril, hardships or savages. Picture pioneers set out to dig gold just as men went to get it in Alaska when the Klondike flashed its golden invitation to the spirit of adventure.

There was competition of the fiercest sort, of course. For that matter, there still is — and this is as it should be. But to-day the ethics of the competition are constantly higher. In earlier years the mere physical and mechanical expansion of the Industry was so swift and so great that there was neither time nor mood to consider adequately the moral and educational responsibilities inherent in this new thing.

But the old, careless, helter-skelter days are over. Those who pioneered in pictures are for the most part still with us and those who have reached the heights are those who have put it on a sound business basis. But business is not everything in motion pictures. These men who will speak to you realize that they are the responsible custodians not only of one of the greatest industries in the world, but of a most potent instrument for moral influence, inspiration and education and of the one most universal medium of art.

From the business standpoint, the motion picture Industry has settled down and is operating along the sound, common-sense lines which govern other American industries. The early reckless extravagance is no more. Much waste of time and effort has been eliminated. It is no longer the "motion picture game"; it is the motion picture business.

Some striking figures recently given by the Department of Commerce at Washington surprised even us of the Industry as to the actual physical importance of our product. Let me read to you a few of these figures.

Of the world's land, United States possesses..... 6%
Of the world's population, our people make up..... 7%
Of the world's wheat, we grow.....27%
Of the world's coal, we dig.....40%
Of the world's telephones, we use.....63%
Of the world's corn, we grow.....75%
Of the world's automobiles, we make more than....80%
OF THE WORLD'S MOTION PICTURES, WE PRODUCE MORE THAN .....85%

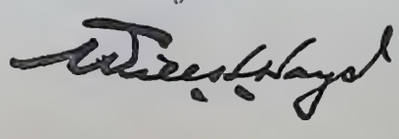
Thus has developed a business that is truly American. An American, Thomas A. Edison, invented the motion picture and its successful development was made possible by the invention of photographic film by another American, George Eastman.

Far beyond this physical or commercial importance of motion pictures is their importance as an influence upon the ideas and ideals, upon the conduct and customs of those who see them. In our own country they are the chief amusement of the great majority of our people; the sole amusement of many millions. Each week it is estimated 90,000,000 Americans patronize our theatres, from the huge and elaborate palaces in our great cities to the tiny halls in the crossroad villages. We recognize the definite rights of those millions. We have not only every obligation but a very genuine desire both to learn what they want in the way of entertainment and

(Continued on Page 60)

*Heartiest congratulations upon the occasion of the celebration of the Diamond Jubilee. At this time it is pertinent to realize that it is the purpose of the Motion Picture Industry to develop relations of peace and amity among all nations of the world. The Industry's leaders are determined that at every opportunity a true portrayal of the life and ideals of the nationals of each country shall go to the nationals of all others.*

*The Motion Picture is the only form of communication entirely international in language and scope. More and more will it be directed to increasing intercourse between nations with the consequent mutual respect that such intercourse engenders—until a general internationalism is conceived—an internationalism founded upon a real and generous regard for each other's rights.*



# Theatre Management

## By MARCUS LOEW

*MARCUS LOEW IS INTRODUCED BEFORE THE HARVARD BUSINESS SCHOOL BY JOSEPH P. KENNEDY, PRESIDING.*

*March 30th, 1927.*

*"The speaker today, you know, is Mr. Marcus Loew. As the so-called director of this series, I am not having a great deal of luck in finding men to take the subjects allocated to them. They come up here and say, 'If I have to talk about that I will have to write a speech and read it.' When they say that, I tell them to tell about their experiences and in that way they can talk it.*

*"This is Mr. Loew's first public appearance since last September. He was very anxious to come up here and tell you his story from his point of view.*

*"Most of the stories start off in the same way. Mr. Loew started as a newspaper man, reporter or whatever you like, and went into this business. As Mr. Zukor told you the other day, Mr. Loew took up the vaudeville end of the business and went along at that very successfully. He decided after having been successful along those lines that he would get into the picture end of the business. All he did was to make the 'Four Horsemen,' 'The Big Parade,' and a few little things like that."*

WHEN Mr. Will H. Hays asked me to come to Harvard College and deliver a lecture it was during my illness in Los Angeles, and I said, "Well, I guess I am seeing the angels now."

I cannot begin to tell you how it impresses me, coming to a great college such as this to deliver a lecture, when I have never before even seen the inside of one.

It was very hard sailing when I first began in the motion picture business. At that time, if you were seen in a motion picture theatre, your reputation was gone, and I didn't like that at all. Probably, had I known that, I never would have started, but I made up my mind that I was going to fight it. I used to give passes to some of my friends and then discovered that they were worse than the patrons I was getting. I found that they gave them to anybody they happened to meet on the street. I kept on and made up my mind that if I could I was going to make them recognize the picture business as a reputable business, which I knew it to be, even at that time. It was considered disreputable because there wasn't anybody who knew anything about it. That included me.

Well, we started. The first time I ever saw a motion picture on the screen outside of a vaudeville theatre — where it was used as a chaser — was in a little place in Pittsburg where they would not give them a seat to sit down. They charged only five cents and a man stood there and watched that screen for about a minute and a half or two minutes and he was getting five cents' worth. At that time I happened to be in the amusement business but it was a different branch. I was then in the penny arcade business. I went to Cincinnati and bought an arcade that was operated there but managed in a very loose fashion, and I didn't like it. However, I bought it knowing it was an excellent spot and could be made to pay. The arcade had a lot of posts in the centre, which is not a good thing for that particular business, and I made arrangements to take them all out. During construction a man came over to see me and invited me to Covington, Kentucky, to see a new idea in entertainment. We were working very hard, trying to get the place opened up, and I told him I would be over on Sunday. I went over with the man who was then my general manager — that was on Sunday; on weekdays he used to be the porter. We went over to see this thing and I never got such a thrill in my life. There was an old fashioned brown stone house and he had hallways partitioned off with dry goods cases with the name of the dry goods store on the case, "John R. Coppen."

He used to go to the window and sell the tickets to the children, then he went to the door and took the tickets, and after he did that he locked the door and went up and operated the machine. And he used to lecture with the machine while he was operating it. He lectured something like this.

In those days they had an awful lot of pictures of robbing and things of that kind, and you would see a man robbing and things of that kind, and you would see a man going into a cafe, and he would say, "Now, you see him going into the 'caif'." When a fellow was hit on the head he would say, "Now you see him hitting him on the head."

I said to the man who was with me, "This is the most remarkable thing I have ever seen." His place was packed to suffocation and the crude way that he operated showed me the opportunity. We wired for machines and we started that Sunday in our arcade, on the second floor. We took thirty feet of space and hired the chairs from an undertaker. The first day we played I believe there were seven or eight people less than five thousand, and we did not advertise or anything like that. The people came into the arcade and that showed me the great possibilities. I came to New York and found that people would not go in until we finally showed them they had to.

Then came the event of vaudeville combined with pictures. That all came through an accident. David Warfield was not only my friend but associated with me and he recommended a pretty big actor at that time — in fact he is today — who was out of work and wanted a position as a doorkeeper. I felt kind of sorry; I didn't feel that was the position for him. I thought people would recognize him. I said, "Can you recite?" He said, "Yes, of course." "I have got an idea. I will put on vaudeville with pictures." At that time we did not know what feature pictures meant. I had him recite Gunga Din 20 times a day.

That was the beginning of vaudeville. Following that, someone sent Sophie Tucker to me and told me a hard-luck story about her having a child and all that,

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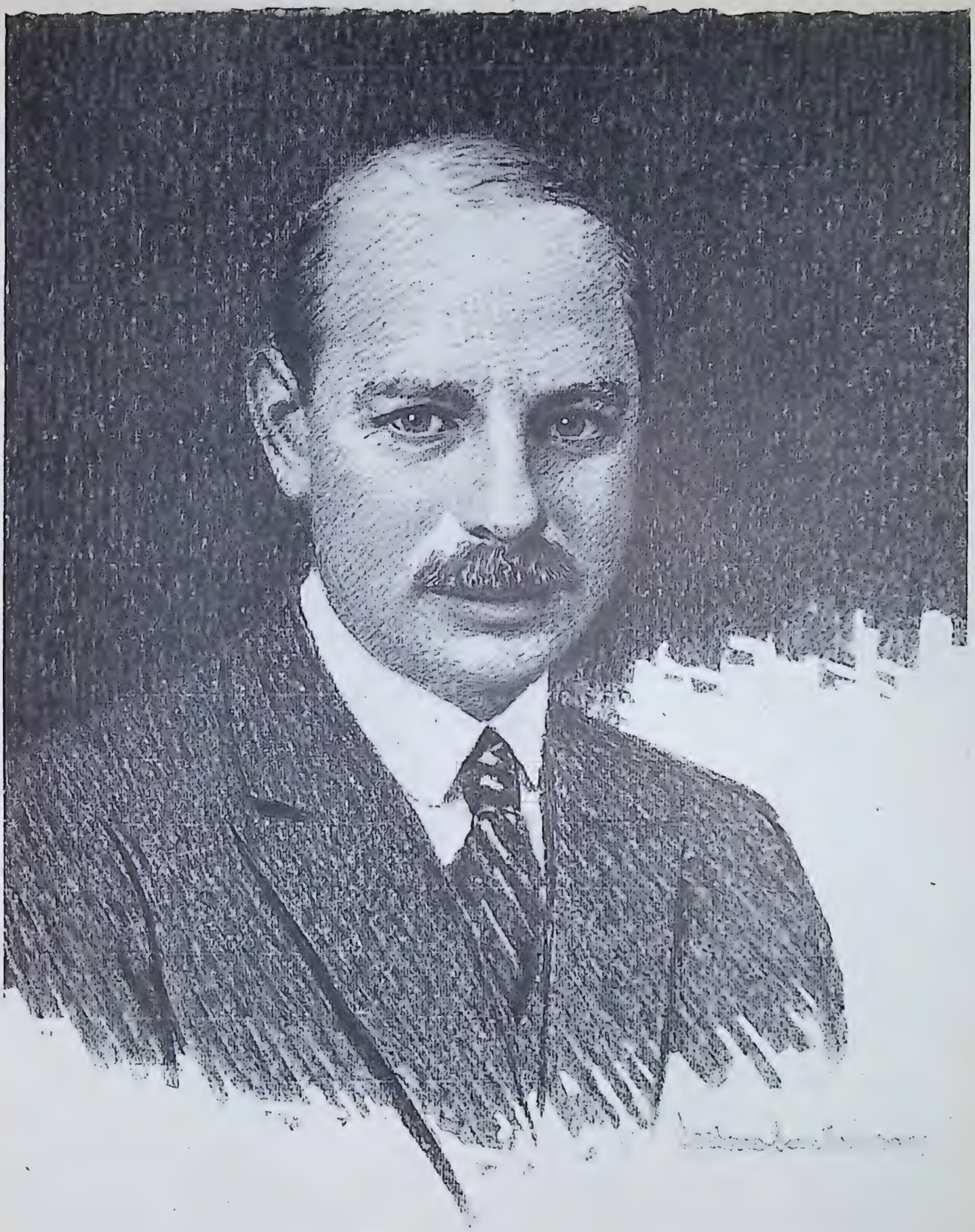

*Congratulations to Canada from one of its sincerest good wishers. Canada reminds me of my own life somewhat, in that all that it has acquired has been won through pioneering.*

*I hope that this celebration, which has awakened a kindred feeling of jubilation throughout America, may be the forerunner of celebrations throughout the world, in which each nation participates in the other's joys.*

*Canada represents strength, virility, ideals of nation-making. May it continue to build, and may we as an Industry of motion pictures, be privileged to build in Canada, not only industrially with Canada, but in her spirit.*

Marcus Loew

# The Importance of Motion Pictures

By WILL HAYS

(Continued from Page 56)

To aid in developing the taste and appreciation for the finest drama, music and literature.

Measuring our every action is a definite sense of our responsibility and accountability. In no other commercial activity is there such conclusive demonstration that honesty is the best policy. No other business depends more upon public confidence. In no other business probably is good-will as definite a factor of profit or loss. Any intelligent study of the business aspects of motion pictures must recognize this responsibility to the public and to the properly most sensitive force therein. You must approach the whole matter not only from the standpoint of those who have millions of dollars invested in the business but also from the viewpoint of fathers and mothers who have millions of children invested in the business. This is not a discussion of the moral aspects of the situation. No one could reasonably demand, nor would they tolerate, that all motion pictures be constructed to fit the psychology of the child.

The patently absurd statement is made that 75 per cent of our motion picture audiences are made up of children. As a matter of fact, only 8 per cent are children. Impartial surveys made by disinterested organizations show that in the Manhattan theatre district of New York City, for instance, the proportion of children in the audience, by actual count, is as low as 3.4 per cent and in the residential urban districts it is 8 per cent.

The general run of pictures are not now, and never will be, intended especially for children. There are, however, certain standards of common decency that do not apply to age, and they shall be established and maintained.

The motion picture industry is divided into three parts — making the pictures, selling them to the theatres and showing them on the screen. These departments are known as Production, Distribution and Exhibition.

You, as students in a business course, are concerned with each department. Production is manufacturing. Distribution is wholesale selling. Exhibition is retail selling.

Every industry usually considers its problems different from those of every other; a little study, however, shows that the basic problems of one are the basic problems of all.

This is true, perhaps, of motion pictures but there are certain details in the manufacture and sale of motion pictures that have no parallel in any other industry. These you must keep in mind when considering its business side.

Motion pictures are not dead things to be regulated like commodities such as freight and food. They are not wares, to be monopolized and traded in by tickets and statutes or marked like iron and soap. They are more than a few thousand feet of celluloid film on which a series of photographs have been recorded. They contain a potency of life in them to be as active as the soul whose progeny they are. They are evidences of human thought; and human thought, on which all progress depends, cannot be tampered with with safety.

Ours is a problem of the distribution of shadows—billions of shadows every day to millions of people. Those shadows when thrown upon a screen produce emotions and when those emotions are pleasing we have made a good sale—we have satisfied a customer.

Those shadows are registered on a film in the manufacturing plant — the studio — are shipped in metal cans to the distributor to the theatre manager who has rented them, and he in turn delivers them to his customers by running the film through a projection machine and throwing the shadows on the screen.

In manufacturing, we have problems a little different from those of the ordinary manufacturer. Ours is a business dependent almost entirely upon man power. A studio delivers satisfactory product if it has the right kind of people. Lights, cameras, film, properties, costumes, settings are tools necessary, but an extremely small part of production. We must have people — people to direct, to write, to act, to photograph. And those men and women must be artists, every one of them.

There is no such thing as standardization of product. Every successful picture must be different from any that has gone before. It is as if an automobile manufacturer had to turn out an entirely new model every week. Today he might offer a car with three wheels; next week one that was taller than it was long; followed by one that ran backward and leaped like a greyhound.

Fortunately for the automobile manufacturer there is no demand for such variety.

Entertainment, however, must be varied. There is standardization only in that the popularity of certain stars is rather well known, and the ability of directors, camera men and scenario writers can be measured fairly well. Of course the news reel is wheat in the bin, a standard commodity. In feature pictures, Westerns follow well defined rules — a good story surrounded by riding, thrills and fine outdoor scenery.

In this connection an untutored theatre manager in a little town out West recently wrote to Metro-Goldwyn-Mayer:

> "My people like Western pictures. I see you are selling 'The Four Horsemen of the Apocalypse.' Please send me one of the horsemen and if it goes good I will buy the other three."

In most cases there is no definite formula that a producer can follow to insure always a good picture.

So we have a manufacturing plant turning out a product that will be used throughout the world by millions of persons daily and the manufacturer is never sure that he has a saleable article of merchandise. The cost of production varies, for feature pictures, from $5,000 to as high in some cases as two or three millions. The average is perhaps around $100,000.

This sounds like a sheer gambling of $100,000, but it emphatically is not.

The law of averages, for one thing, protects the motion picture investment. Added to this is the law of common sense and an amazing knowledge, on the part of the producers, of the wishes of the peoples of the world in regard to amusement.

The progress of the industry, the fact that in every city and in nearly every town the finest place of amusement is a motion picture theatre, the undisputed evidence that motion pictures have shown remarkable improvement in the last few years all prove that these successful men do have an uncanny faculty for satisfying their customers.

No other art has such a high average. This high average is maintained through man power. Hollywood has become a tremendous influence upon the peoples of all the world. I could spend all of my allotted time telling you how the motion picture is selling goods for every American manufacturer. It will be of interest to you as students of business to give no small thought to the fact that "trade follows the film."

Through motion picture we are bettering living conditions everywhere — especially in the small towns. No longer does the girl in Sullivan, Indiana, guess as to what the styles are going to be in three months. She knows — because she sees them on the screen. She realizes that the designers of gowns in motion pictures are among the greatest in the world, that their information from fashion centers is correct and always ahead of time.

The head of the house sees a new kind of golf suit in the movies and he wants one. The housewife sees a lamp of a new design. Perhaps the whole family gets a new idea for redecorating and refurnishing the parlor — and down they go to the dealers to ask for the new goods.

Ask any small town retailer and he will tell you of the influence of the movies. There are no more out-of-date towns. The fathers and mothers who come to New York from a little town in Oklahoma are no different in dress from New Yorkers — no different even in knowledge of world affairs.

It was not so long ago that a boy from any small Western town could be picked out the moment he walked on the campus of an Eastern University. Not now. They are getting their ideas from the same source as the Eastern students — from the movies, many of which are shown in Sullivan, Indiana, only a few days after they appear on Broadway.

The employment of people to make motion pictures is a tremendous problem, as you can readily see. A company that employs a staff large enough to make many pictures a year is in a safer position, usually, than a company that produces only a few pictures, because it can afford to experiment; because one failure is covered by many successes.

High salaries are paid in motion picture production — but high salaries, as in any other industry, are regulated by the law of supply and demand. The only reason one actor receives a very high wage and another a small salary is that the producer knows that if he invests his money in a picture starring the first actor the enterprise probably will show a profit, while if he invests his money in the capabilities of the other actor, the public will refuse to pay. The same applies to directors, writers and photographers. A stage star appears in one place at a time — a screen star appears in hundreds.

The producers try never to put a production into the hands of incompetent people. When you do see a picture that has been badly made it usually is because a producer has used the "trial and error" method of selecting his people and has guessed wrong. Give him credit, however, for trying. Only through such experimentation do we advance.

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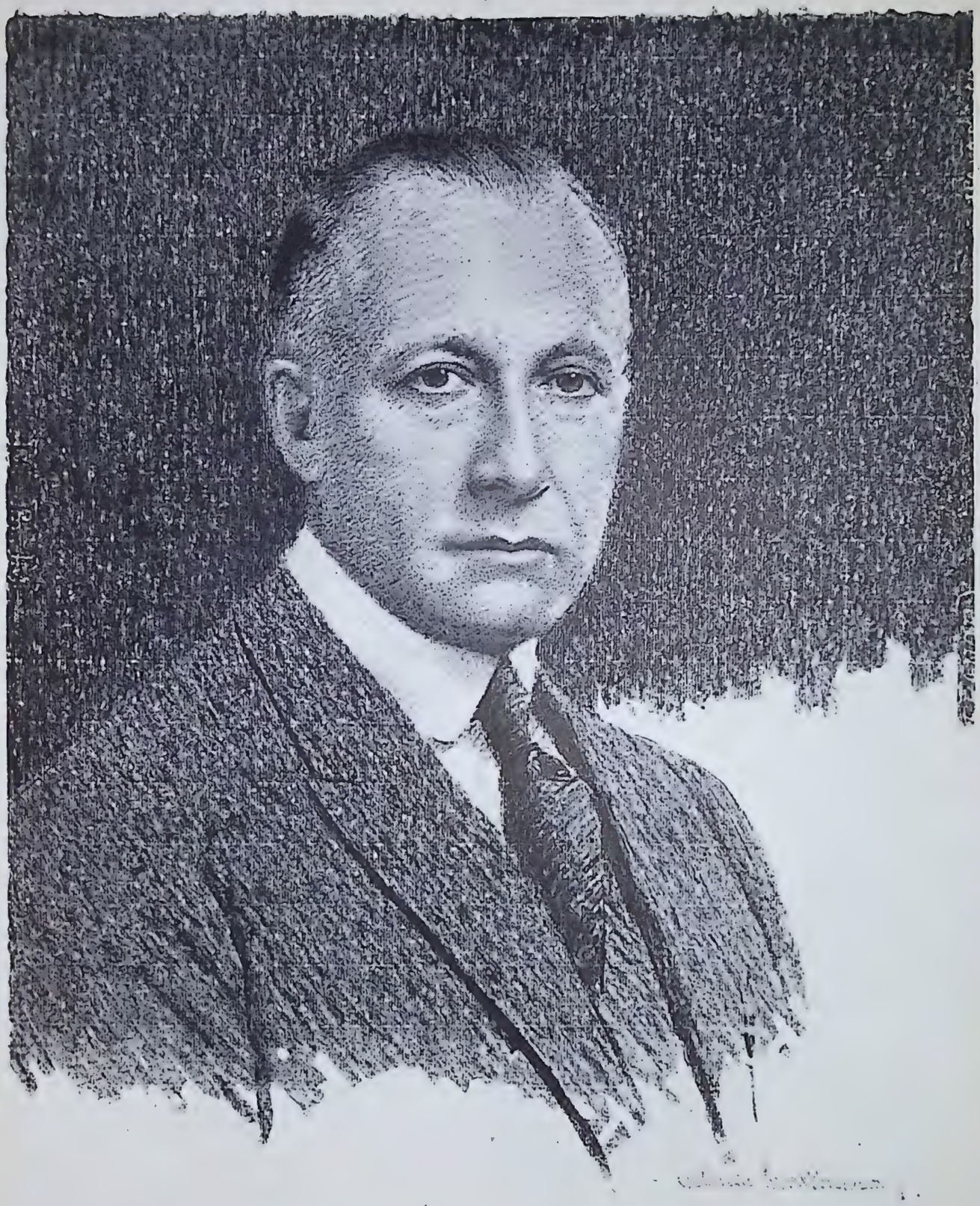

*Through the Canadian Moving Picture Digest I wish to extend to our friends in Canada my personal felicitations upon the occasion of the Canadian Confederation Diamond Jubilee. The Canadian Moving Picture Industry should be proud of the part it has played in the progress which this Jubilee celebrates, and we, your confreres in the United States, wish for you and your great country that continuance of peace, prosperity and happiness which is Canada's true destiny.*

Adolph Zukor

# Distribution

## By SYDNEY R. KENT

FIFTH LECTURE

*Baker Library, Brighton,*
*March 22, 1927, 10 A.M.*

MR. JOSEPH P. KENNEDY, *Presiding.*

*"This morning we have to talk to us Mr. Sidney R. Kent, General Manager of Famous Players-Lasky. Kent is a westerner, born in Nebraska, who went to work with the Colorado Fuel and Iron Company and later became interested in the American Druggists' Syndicate. When the General Film Company went into bankruptcy and owed about $5,000,000, Frank Hitchcock was put in to liquidate it and brought Kent in as his right bower.*

*"Kent about 1918 or '19 went to work for Famous Players and has gone ahead very rapidly since. They call him general manager of distribution but he is really the works. I say it without any hesitation that Kent is the outstanding figure in the Motion Picture Industry today. He is the one man in whom every company has confidence. He is the one man who is called upon to arbitrate every bit of difference between every other company. I take great pleasure in introducing Mr. Sydney R. Kent, of the Famous Players-Lasky Corporation."*

BOYS, now that Mr. Kennedy has had his little joke, we can get down to business.

I want to thank Dean Donham and his associates and Mr. Kennedy for the privilege of appearing here. I suppose it is in form to say that facing a body of men of this character is not only an unusual experience but something that a man has a right to be proud of. Nevertheless I feel that way about it.

It was not until a year and a half or two years ago that I first heard of the work that Harvard was doing and I did not become seriously interested in it from the standpoint of a business executive until a few months ago when Mr. Kennedy started telling me of this course. I think it is a marvelous thing that business men of the country are privileged to appear here and lay their problems before you boys because many of the solutions to problems of business administration in the future I can easily see will come out of such a class as this.

Because of the size of the class and the room you will not be able to see all of the detail on these charts. I was going to suggest that I would leave them here if the Dean would be willing to accept them, and I think in them you will find some very interesting problems.

My discussion is on sales and servicing, distribution of motion pictures world wide beginning at the point where we first come in contact with the finished article. We have already produced a completed motion picture and we first come in contact with it in the laboratory where two negatives are turned over to our department, one known as a domestic negative for use in America and the other a foreign negative for use in London and foreign countries. Most of the foreign printing is being done in the London laboratories.

The negative for the United States and Canada is handled on the west coast and from that negative is taken an average of 200 positive prints per picture. The number will vary from a minimum of 150 to as high as 350 or 400 prints of a picture such as the Covered Wagon or the Big Parade or pictures of that type.

Those prints in turn are shipped from the laboratory to 47 United States and Canadian exchanges, each of those exchanges serving a territory that runs from a portion of one state to several states in the west. This is something wherein our business is quite different than any other. The amount of revenue has no relation to the prints used by an office. One print, for example, in New York City. may produce $150,000 in revenue, and another print which is used in a sparsely settled community such as in Montana or Nevada or anywhere in the west, may produce only $1,000 in revenue. In other words, an office which serves a great territory and comparatively a small number of people may produce in its lifetime only a hundredth part of the amount of revenue that a print may bring in that is used in the congested territories of the east. So, one of our problems is to get the maximum booking time out of a print so that that print can turn in as many dollars as possible while it is still in good condition to make the pictures. The average life of an American print is about 59 exhibitions. Some may run 75 and some only 40, one of our greatest problems being to educate the exhibitor in the handling of his projection equipment so that he returns your property to you in good shape as it was when you gave it to him.

In our business we do not sell. We lease on an exhibition basis or license basis for a certain amount of money computed as a flat rental or computed as a percentage of the gross.

One of the things wherein our business differs—and I think it is interesting to you boys—is that we have no staple price on our merchandise. It is possible for us after a number of years to approximate within 90 per cent of what our gross will be on a year's business with a given number of pictures, but there is really no such thing as a fixed price on a motion picture. And I want to tell you why.

I do not believe there is any business in the world in which imagination plays as great a part in the making and sale and in producing a final result as it does in motion pictures. I may take a given picture out today and by my method of sale and by pointing out how that exhibitor can get the money back from the public, can get for that picture $1,000, and that may be called a good sale. Another man with more imagination than myself, with a better sales plan behind the article that he is settling, can sell that same motion picture to that same theatre for $2,000, and the theatre man may make more money on the $2,000 sale because of the plan than he would make with my sale at half the price, the entire thing being on the basis of imagination behind the product.

The 200 prints are shipped to the 47 exchanges and

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*Paramount salutes our friends in Canada, and congratulates them upon the wonderful progress made by their great country in the sixty years of Canadian Confederation. If this progress has been helped at all by Motion Pictures, we are glad and proud. It is our hope and determination that Motion Pictures shall constantly strive for greater understanding and more complete accord among nations.*

S. R. Kerr

# Films as Educational Aid

## By WILLIAM FOX

*The William Fox address at Harvard was one of the feature addresses. The speaker was slated to talk on foreign conditions, but the educational values of the screen proved the inspiration for an address which was delivered in intimate style, and won his listeners to attention.* —Editor

WILLIAM FOX, new owner of the recently opened "Roxy" Theatre in New York, and president of the Fox Film Corporation, today discussed foreign development in the Motion Picture Industry before students in the motion picture course at the Harvard School of Business Administration.

Mr. Fox told the students that whereas, 20 years ago, the Industry had been held in general disfavor, it now had some admirers. He said that the greatest single factor in its early impetus was the patronage of the foreign-born, who, being without means of entertainment, took to patronizing moving pictures as a medium of entertainment which could be enjoyed without words.

Still later, 10 or 15 years ago, Mr. Fox said that the real supremacy of the motion picture lay in Europe but that now, even in Great Britain where a concerted effort is being made to compete with American-made films, it was common talk that our producers are Americanizing the world with their films. Mr. Fox thought that before the next generation films would be used extensively in schools as animated text books.

For the purpose of illustration as to those factors which make a picture which is successful abroad a failure here, Mr. Fox selected "The Last Laugh," which was made in Germany by F. W. Murnau and which he said was the greatest titleless picture in the history of European films. Mr. Fox was so much interested in the causes for the two receptions that he made a careful investigation. The story concerns a man, resplendently uniformed, who serves as doorman at a hotel and the subsequent events which culminate in his being employed in a menial un-uniformed position. Mr. Fox said that he discovered in Germany, any uniform was counted an honor, even if it were only that of a postman or a tram conductor.

Thus, when this man having served one post brilliantly uniformed was transferred to a position calling for no uniform it was a tragedy of change. On the contrary, the very element of tragedy which made the picture great abroad was completely lacking here inasmuch as the American viewpoint considered that, in changing from the position of uniformed, therefore servile, doorman to a position which could be filled in ordinary garb the man was not an object of tragedy at all.

Mr. Fox spoke of the purchase of the "Roxy" Theatre and explained why, as has been intimated in the press, he considered it the greatest experience in his life. It was not, he said, merely because the theatre was the largest of its day, but because, in 1903 he had bought, in Brooklyn, the smallest theatre in the country. It seated 146 people.

In discussing the picture development in 23 years. Mr. Fox said the length of the show in his first theatre was 15 minutes, then the audience was shown out. Admission was five cents or about one-third of a cent a minute.

Mr. Fox is an independent producer. He was an independent producer in the days at the beginning of President Taft's Administration when 10 men, not at all perceiving that the business of the films would ever become an art, banded together into a monopoly for the purpose of conducting their business as a mechanical enterprise in which only people licensed by them would be permitted to engage.

Mr. Fox was not in sympathy with this view. He was not, therefore, displeased when the United States found a way to dissolve the combine, thus opening the field to producers who would engage those whom they considered competent to work for them upon a basis of pay compatible with their abilities. But of 119 men who had been working independently before the monopoly drove them out Mr. Fox was the only one to survive his independence, thus hardly protected, became the more important to him, so much so that he has never surrendered it in the years between and in the great changes that the development of the Industry has brought about.

### Highlights in William Fox's Career

**Started in the Penny Arcade business over two decades ago. At this time the Fox offices consisted of desk room in an office at 24 Union Square. Leased the Dewey Theatre on 14th Street and the Gotham Theatre at 125th Street, considered one of the biggest theatrical scoops at that time. Formed the Greater Fox Film Rental Co., with offices at 116 East 14th Street, becoming a distributor in New York territory. Branch offices established throughout the East. Business consisted of buying one and two reel films from Pioneer Film Producers and Distributors, then to theatres. Organized the Box Office Attraction Co., with office room on the seventh floor of a building at 130 West 46 th Street, same building which Fox Film Corp. later leased five floors.**

**Organized a distributing unit that covered twenty-two principal cities of the country. Produced his first picture directed by the late J. Gordon Edwards, stage director of the Fox Dramatic Stock Co., Academy of Music, 14th Street. First picture produced at the Eclair Studio, Fort Lee, New Jersey. Pictures made at a later period, Scott's Farm, on Staten Island, Jersey City.**

**In 1914, re-organization of the company for producing and distributing purposes was effected. The Fox Film Corp., absorbing the Box Office Attraction Co. William Fox purchases Eclair Studio, organized new company, engaged new stars. In 1915, complete film printing plant established at Fort Lee, New Jersey, together with laboratories for handling entire output of organization. New branch offices established in United States, Canada, South America, Australia, New Zealand, Cuba. In 1916, William Fox Studios at Hollywood, California, Fox agencies in the principal cities of Continental Europe, India, China, Japan, and other centres of the far east. 1917, production activities doubled. In 1918 increased studio space and laboratory facilities for the increased standard quality of Fox pictures. In 1919 construction started on the $2,500,000 William Fox building at 10th Avenue.**

**1927 sees 29 Fox branches in the United States, 6 in Canada and 75 in other parts of the world. Two great plants, one in New York and one in Hollywood. Assets of the Fox Film producing and distributing units, according to New York Stock Exchange statement, $25,000,000 and Fox Theatre Corp. Assets scheduled at more than $20,000,000.**

*In extending to the peoples of Canada, through the Canadian Moving Picture Digest, congratulations upon the sixty years solidarity which have sealed the union of the provinces of the Dominion, it seems appropriate to point out the not-inconsiderable part played by Motion Pictures in cementing that union. Not only have the people in all sections of the Dominion been brought closer together through the instrumentality of the Screen, but through it as well have been cemented ties of friendship and understanding between Canada and the United States. In congratulating Canada upon her Diamond Jubilee, we are also acknowledging the progress of the Motion Picture within the Dominion.*

William Fox

# Theatre Management

By MARCUS LOEW

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and I gave her a chance and she used to do 14 shows a day. But she had to do seven black face to make it easy. She alternated. Once she would do her songs in white and the next time black face, so all she had to do was wash up after every act. That showed me the great possibilities.

At this time, our largest theatre had two hundred-odd seats and our smallest 120. I started after theatres and the only kind of theatre I could get was the one that they thought was gone forever and no good for anything else, and even that used to cause me a lot of embarrassment, but it was the best thing I could do so I would take them and develop them and finally got the theatres on such a high plane that they were not only looked up to but patronized by the very best.

Then I started to build theatres, and tried to show them the kind of theatres I thought we should have. The first one I built cost something like $400,000, and we thought that was marvelous. And it was then. But now see the improvement that has been made in theatres. When you go today and sit in luxury that was then undreamed of, and see the most marvelous entertainment that it is possible to put on the screen or on the stage for the price of admission that you pay, you can realize that a thing like that was never even thought of in the early days. In fact a lot of showmen still don't believe it.

Of course I am going a little ahead of my time because I am a little afraid I might bore you and I don't want to do that.

We started with the vaudeville and picture and then went back again to the straight picture in some places, because we found that the class of vaudeville we were then playing did not appeal to the very highest type of people, and we wanted all classes. So when we got to a neighborhood where they wanted the very high type we gave them pictures only and left the vaudeville out. Where we found the masses attending the theatre we gave them vaudeville and pictures.

Since then vaudeville has developed to a great extent. In fact, we now play things that I never thought was possible at the price of admission, and that is due to the type of theatre we have been able to develop, the large theatre.

Then came the time when we had so many theatres that we became frightened. We became frightened because of the fact that the producer, the man who makes the pictures, was buying theatres. We felt we would have to protect ourselves by buying a producing company, so we went out and bought Metro. And what it did to us at the beginning! We used to think that we made good pictures but the public would not agree with us.

My son, who is in charge of the foreign department, has been developing our foreign business with college men.

This is why I am so much interested in this particular thing, because I feel that there is an opportunity for college boys, not only a great opportunity for our business but also a great opportunity for them. I just merely say that so that you will realize that there is an incentive. These boys made good over there because they were offices that we had just opened and we were getting little or no money for the pictures so that they could play along with it and they were learning the business.

It was not causing any loss of previous business, because we did not have any previous business.

The only way that you really can succeed is by experience. You have got to have experience except, as I say, in those rare cases where they opened up new places and there wasn't anything to lose. When I say they have made good I mean that they learned so much faster than the average boy would learn and it is remarkable that they know as much as they do. I was going to say as much as I, but that would not be fair to them. They have learned remarkably well and they have made a remarkable success under those circumstances.

Although it is absolutely essential in conducting and operating theatres that you have experience, that alone does not make for successful operation. You have got to have that showman's instinct with it. That is something that is undefinable, something that I really cannot explain. It is something that comes to you if it is in you, and if it is not in you you will never succeed no matter how much experience you have had in that particular branch. Experience will help you a good long way towards bringing that something out that you may never know is there.

Better than my boring you with a lot of things that may seem nonsensical, if there is something on your mind that is of interest to you it might be better if you would ask me some questions. I will not promise that I can, but I will try and answer them. If there are any questions that you would like to ask me that would be very much more interesting because you know what is on your mind and I don't. After all, that is the only way to bring it out. If I can answer them I will be glad to, and if I can't I will tell you that I can't.

**Questions and Answers**

Q: What were some of your difficulties in starting the motion picture production business about three or four years ago when it was pretty well established?

A: Prior to that I was only in the exhibiting end, and producing was an entirely different branch, and I knew little or nothing about it. That was more than seven years ago. It was three or four years ago when we became successful, because we knew what we were lacking and we went out and got it.

When I first started we did not succeed because I did not know. We knew nothing about it. The only fortunate part of it was that we knew that we didn't know. If we felt we had known and kept on we would still be making that same kind of pictures.

Q: What do you consider the key cities?

A: Any city that has a large surrounding territory is a key city. Boston would take care of pretty nearly everything around New England. In the Middle West where they are scattered more, you have to get into some of the bigger cities. Lowell and Lynn are not essential because Boston takes care of the surrounding territory here. If they did not have a big city like Boston close by they would need a first run theatre to show their pictures, and if they did not have it they would be hurt very much.

Q: Do you intend to show nothing but Metro pictures in your Loew theatres?

A: Oh, no.

Q. Do you think any producer or exhibitor can carry that to such an extent that he will show nothing but his own pictures?

A: That is only in case of emergency. In the first place, we do not make enough pictures to supply our own houses, but we make enough to have a backbone of a program. There is very little chance of our playing all our own. We play the best of others and if we cannot get the best, we will get along on our own.

The unfortunate part of making pictures is that you do not know when you start to make them whether they are going to be good or not, and you do not know whether they are good or bad until the audience has seen them. I do not mean that you cannot tell a very bad one. You can do that, but can't tell whether it is what you started out to make or not until the audience sees it. I am now talking of the very expensive pictures.

"The Big Parade" started out as a program picture. When the producing organization realized what they had they called up New York and told about it and wanted to spend more money, and we told them to go ahead.

We never spend anything like the amount of money we plan when we start out to do it. I believe "The Big Parade" cost less than $500,000, and it will undoubtedly gross more money than anything that has ever been made or ever will be made, which includes "Ben Hur," that cost $8,000,000. When I say "Ben Hur" cost $8,000,000, I mean that Metro paid $4,000,000 to make the picture for a half interest in the thing, and that means it cost $8,000,000. The authors of the story got the other $4,000,000. It is a contract I do not want to claim credit for.

Q: In what tie-up between the exhibitor and producer it is also of great value to the exhibitor because an independent exhibitor would be competing for films, and to assure himself of keeping his theatre open he would either have to tie up with the producer or pay an exorbitant rental?

A: There is no question about that. As I told you, there is no set value on selling pictures. I have seen them jump a man from $100 a picture to $3,000 a picture without blinking an eye because another fellow was opening a theatre there. That is the result of competition, and when it comes to that neither of them can live. That is one of the reasons why we have to have both ends. I am talking now of large and middle size towns. It isn't necessary in places of 25,000 to 50,000. They do not have to tie up. A producer isn't likely to go into those towns, except one that I know of, and that wouldn't mean so much.

Q: Does a strong vaudeville act tend to bolster up a weak picture?

A: A great big name will help bolster up what is lacking in the picture.

Q: Which carries the greater weight?

A: The picture, both as to entertainment and drawing power. We do spend a great deal more money these days for acts than we do for pictures. I suppose they will soon give way on that. Like

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*The thing I have always admired about the Canadian Moving Picture Digest is the splendid fighting spirit which it has always manifested toward every adverse condition, and there have been plenty such. Its editorial policy has been fearless, its pages always open to every independent attitude. You, Miss Lewis, are deserving of a success still more splendid than you have already scored; and at this milestone in Canadian history, the celebration of the Confederation of the provinces of Canada, I wish to congratulate Canada; and the Motion Picture Industry, upon having a Digest through which the Industry of Motion Pictures can express its felicitations.*

Earl Kemmis

# Advertising and Exploitation

## By R. H. COCHRANE

*SPEECH DELIVERED BY R. H. COCHRANE BEFORE HARVARD UNIVERSITY MARCH 24TH, 1927*

LET me preface my remarks on advertising by a little prologue—a story I heard over the radio the other night.

Five men went on an elephant hunting expedition. When they returned, each one wrote a little book about it.

The Englishman used as the title of his book, "Shooting Elephants." The Frenchman called his "The Romance of the Elephant." The German used the attractive title, "A Phychological, Physiological and Pathological Study of the Pachyderm in His Native Habitat." The Russian called his "Are There Such Things as Elephants." And the American in big type used the caption "WHAT WE NEED IS BIGGER AND BETTER ELEPHANTS."

You see, it all depends on the point of view of the writer and on what audience he is seeking to interest.

So it is with moving picture advertising. If five different men stood in my place at this moment and made five different speeches, you would hear five different points of view on how to advertise motion pictures. That is largely because we have a problem so different from that of the average advertiser.

Mr. Hays told you a few days ago that we cannot standardize our pictures as a soap manufacturer standardizes his soap. They must all be different. So must our advertisements.

Ivory Soap floats. It has always floated. It was floating before you were born. It will continue to float long after we have ceased to need it. That is a whole advertising campaign in itself—and a fine one. But just picture to yourself the consternation in the Ivory Soap factory some day if a cake of soap should happen to sink!

Everything would be turned upside down. This illustrates the uncertainty of advertising pictures. We cannot standardize our advertising campaigns any more than we can standardize our advertising campaigns any more than we can standardize our pictures. As with Ivory Soap, some of ours float. But some sink. Others slip. And still others make a clean-up!

I came into the motion picture business at the invitation of Carl Laemmle at a period when someone said the only two syllable word a film man knows is fillum. There were no other advertising men in it. I had a virgin field and therefore an easy problem because there was no advertising competition. So I made many mistakes. One of the first things I tried to do was to elevate the tone of the advertising. I was an ardent uplifter.

One day a small theatre owner of the type who needed no Arrow collar because of his whiskers, came to me and complained that our posters were not sensational enough. He pointed to one which was hanging on the wall. It was a work of art. At least I thought so. It was one of my upliftings. "It has no kick to it," he said. "It is too pretty. There is not enough action in it." I was peeved. So I waxed sarcastic. In the most biting tones I could command I said, "Oh I suppose you'd like to have me throw a bucket of blood across this thing to make it more attractive and gory." His eyes brightened with enthusiasm and admiration and he said, "That it. That's it. That's just what we need. That will bring the people in."

But I soon learned my lesson. I had heard theorists say "Never write up to your audience" and others, equally theoretical say, "Never write down to your audience." So I started down the middle-course and began to write AT my audience. That's a pretty good thing to remember when you become executives of big corporations. See that your advertising department locates its audiences and then writes AT it.

It is a rash motion picture man indeed, who finding himself in the present speaker's position, doesn't admit that he would rather be on the student's side of the room seeking information.

For only a self-satisfied picture man will refuse to confess frankly and humbly that in the matter of advertising he is learning new lessons, discarding old rules, every single day of his motion picture life.

This is only natural, and for reasons aside from the youth of the Industry. We deal with an intangible product—entertainment. We appeal to the broadest phases of that intangible thing, human nature—to its imagination, to its hidden longings, to its obvious current fancies, and to the unknown quirk of mass psychology that tomorrow may bring.

We live doing a continual mental hop, skip and a jump—while at the same time our feet are anchored to the ground by the demands of good business sense, by the necessities of world-wide marketing machines and a complicated method of getting to market, and by the fundamental tenets of sound advertising practice that apply to all fields.

I can give you no rules. The man who feels that he has the business of motion picture advertising, publicity, and exploitation reduced to rules is due for rude, jarring awakenings with every new moon. I can only attempt a sketchy survey of our problems as we see them, of the different means we have employed to meet those problems, and the varying degrees of success we have met.

I can probably best open a discussion of the problems by defining the fundamental terms used in the business. As frequently as you hear a motion picture man use the word "advertising" you will hear him use the phrase, "advertising, publicity and exploitation." The three words, "advertising, publicity and exploitation," roll off the tongue as though they were describing a single unit, or task. Essentially they are, for while describing separate functions, they are functions aimed at a single result—the result more commonly designated by men in other business walks by the all-inclusive word "advertising."

In the motion picture field we confine our definition of the world advertising to the more positive and specific job of selling through the printed word—by paid advertising space, direct by mail printed matter, lithographic posters, and so on. This line of our work is a direct inheritance from the older lines of manufacturing, and in itself would constitute the entire advertising work done by a manufacturer of such staples as shoes, clothing, etc. In this branch we have travelled in a period of less than twenty years both in physical growth, in lessons

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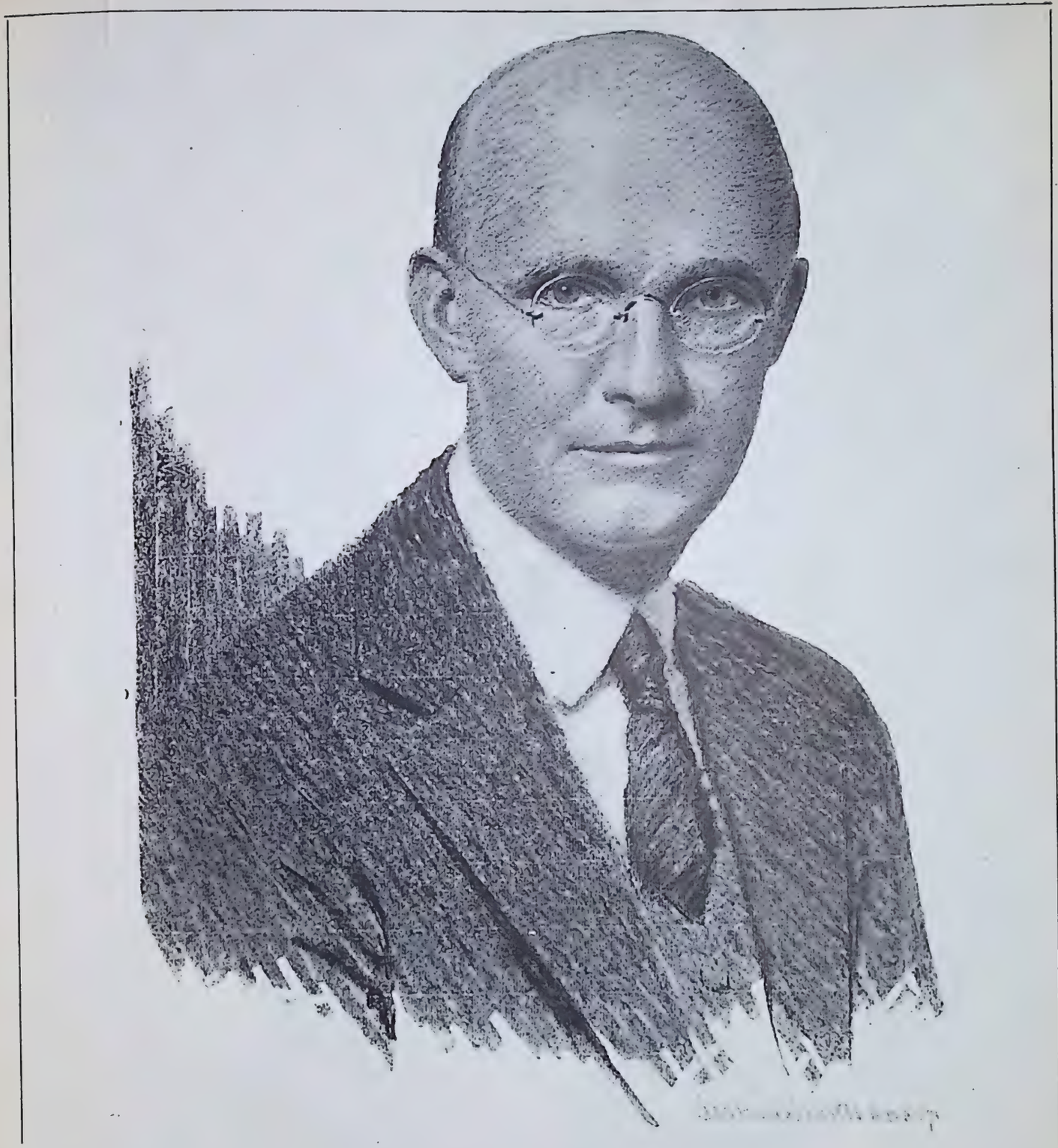

*In the celebration of their sixty years of Confederation, the Provinces of the Dominion should be very proud of such papers as the Canadian Moving Picture Digest. These two—The Dominion and The Digest—have grown up together. I hope they prosper together for a long time.*

R. H. Cochrane

# New Developments In Motion Pictures

## By HARRY WARNER

*Baker Hall,*
*Harvard School of Business Administration,*
*March* 31, 1927, 4.00 *P.m.*

TENTH LECTURE

*MR. JOSEPH P. KENNEDY, PRESIDING, INTRODUCES HARRY WARNER TO HARVARD*

*"I just told Don David that there was one very encouraging thing to all the young men in this class, and that is that most of the picture people either crawl upon the stage or come with canes. So, you can see what happens to the old men of the Industry. Mr. Warner has just arrived from the coast, and he is in bad shape. Mr. Warner went to the coast a week ago Friday, stayed there two days, came back for this lecture, and he leaves again on Monday fo rthe coast He has really made a special effort, so I don't want to apologize for his health, but he is really a lame man.*

*"On Saturday morning, the School has a talk, and there have been so many of the fellows who have asked me about the theatre end of the business that we thought it wise to get somebody who could talk on that end. So, on Saturday, at ten o'clock, we will have Mr. Sam Katz, who operates as a single theatre chain operator, as a circuit operator, and now handles the customers' end of the Famous Players. There are about fifteen letters in the office asking questions about that, and perhaps he will be able to clear that up. Also, supplementing Dr. Isaac's remarks of yesterday, if you will please, if you are interested, hand in a memorandum, and next week or the week after, we will send somebody up here to try to answer everything you want to know.*

*"As to the lecture today, as I said, Mr. Harry Warner will talk to you about new development in Motion Pictures, particularly the Vitaphone. Mr. Warner has been the man who accepted the responsibility really when everybody in the picture business had great misgivings as to its practicability, and expended tremendous amounts of money in perfecting this so-colled talking motion picture. I take great pleasure in introducing Mr. Harry Warner."*

MR. WARNER: Ladies and Gentlemen:— I came up here without the cane to show you that Hollywood is all right. It is a hard task to talk about something new, in particular, since you have heard all angles of what has been up to the present time. So, I take the opportunity of thanking Mr. Kennedy, and all those associated with this wonderful institution, for the opportunity of presenting to you something new in motion pictures, because every time I read about a picture that has been made, they say, "It's old."

The Vitaphone is, I presume, the thing that you all want to hear about, so I will step outside of formalities and try to give you a little outline of it, as much as I possibly can. But, before I do that, I would like to take just a couple of minutes of your time and tell you about a picture theatre we once had in Newcastle, Pennsylvania, in 1903 — twenty-four years ago. When the theatre was all finished, we found we had no chairs and the problem came about. The brothers got together and tried to decide, "Where are we going to get chairs?" One said, "Well, what's the matter with the undertaker?" So, we went over and engaged ninety-six chairs from the undertaker. He says, "I will give them to you at the rate of fifty cents a month, provided that if I have a funeral you will give me the chairs." So, many a time, we had to ask the audience to stand up while the funeral was in progression. All you have to do is to picture that theatre with those ninety-six chairs, and then picture to yourself the Roxy Theatre today, and picture some of the other big institutions in this world, and you will get an idea of the new development in motion pictures. So, when I first saw the Vitaphone, I realized the possibilities, and I saw a picture of that little theatre.

Now, the chances are that that never would have come to my mind if my brother, who had been fooling around with radio stations at the time, hadn't wired me as follows: "Go to the Western Electric Company and see what I consider the greatest thing in the world." I wired him back, "I heard that already." So, sixty days later, he wired again, "Did you see it and what do you think about it?" I wired him back that I had no time, I had plenty of work. So he wired me again, "Go see it; I think it is wonderful." I went up and heard it and wired back, "I think you are right." So, he wired back, "I've never seen it." These are absolute facts. Had he wired me to go up and hear a talking picture I would never have gone near it, because I have lived through the age of that ninety-six seat theatre and have seen the audience stand, until the present time, and have heard and seen talking pictures so much that I wouldn't have walked across the street to see or hear a talking picture. But when I heard a twelve-piece orchestra on that screen in a little room at the Bell Telephone Laboratories, I thought they were kidding me, so I walked in back of the screen to see if they didn't have an orchestra there — just the picture synchronizing. They all laughed at it. It was in a ten by twelve room. There were a lot of bulbs working and things I knew nothing about. Of course, I always depend on one of my brothers who know all about the mechanical parts of a motion picture machine.

The thought occurred to me that if we quit the talking picture and bring about that which the motion picture theatre of the present day needs — music to the picture — we can ultimately develop it to such a point where we can make people ask us for talking pictures, because if I myself would not have gone across the street to see or hear a talking machine, I surely couldn't expect the public to do it. But music! That's another story. The reason that music is essential and a necessity is the thought of that ninety-six seat theatre

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*I want to congratulate the people of Canada on their Diamond Jubilee. Since the Fathers of the Confederation succeeded in welding the Provinces into a union of one nation, the history of Canada has been one of magnificent accomplishment. Today Canada, more closely united than ever, is an economic and political power equal to any in the world—and deservedly so!*

R. B. Bennett

# New Developments in Motion Pictures

By HARRY WARNER

(Continued from Page 70)

compared to the four or five thousand seated theatre. Thinking of an organ playing to a picture was the thing that I visualized. I stopped and thought a minute and said, "Here's a theatre that seats four or five thousand people, runs a motion picture, which is the most important part of its business, and neglects the most important part of the picture, which is music. He plays his music as an overture and doesn't play it to the picture." Now, you can take a motion picture, a silent one, and run it off. Take the same picture and run it with an orchestra, and I know you will see the difference. That vision came to me. So I took it up with the head of the Western Electric Company, and the understanding was as follows. I will give it as briefly as I can.

That, if they will agree to discontinue the use of the name, "talking picture," we would go into it, and if they would follow what we would tell them to do, eliminating anything pertaining to talking pictures, and devote their time to music we would be interested. So they agreed to that, and we made a deal. Then, the question came up: What is the proper method, in taking this instrument and bring it before the public in the fastest time? Now, the reason it was required to be presented quickly was that it would take a lot of money and naturally money is the part of the business that rules. So, we had to take the two ends into account, and a part of the firm was for taking a little theatre and making up a few vaudeville numbers, opening up the theatre and then taking the different exhibitors throughout the country to come in and hear it. "What do you think of this? Here are some vaudeville numbers; here is the orchestration; here is the machine. Now, do you want to buy it?" You men know that is a long drawn out process, and it would be a question whether it would succeed or not because the angle there came in that if you took a thing of that kind you would be competing with what we call the "short reel" subject, and to compete with a short reel subject, which does not cost the theatre man much, he would say, "Will I throw out the short reel subject to take on something new?"

So, the battle was on, and for several weeks. I finally listened to all angles and decided this: It's better to do the thing in the right way because if it is worth while and if its right, let's do it right. And how are we going to do it right? Let's get the greatest artists in the country. Let's get the best orchestra we can get. That is, let's have confidence in this or not, and let's go to it. Let's find out what it's all about after we have opened the first show. Banking on the ability of the Western Electric Company, with the thirty-five hundred people employed in the Bell laboratory, it was natural to conclude that the question of the proper working of the instrument itself was an assured fact, in particular, since they had a radio-telephone connected with it. Then we thought this: That as long as the telephone company and its subsidiaries loaned its name to an instrument, it is up to them to know that its right because they have just as much at stake as we have. While we could go broke and they couldn't, nevertheless, the stake was there.

So, we took this show and got it all together—and it cost a very large sum of money—and we opened it. I presume a great many of you know what happened. Everybody talked about it, but everybody still continued saying that talking pictures were not a success—but the show went on. Now, the question came about: The show is open and everything is fine, but who's going to buy it? That was quite a problem.

Now, here is the problem that we were confronted with and that we are confronted with yet. I don't want you to think for a minute that I am up here telling you that this is already over. It doesn't work that fast. We have confidence in it, and we have put our money in it—our own money—but it is still a great problem. You men, who are going out of this marvelous school and who have had an opportunity to listen to all, or nearly all, of the heads of this great Industry, can do a great deal of good for yourselves, as well as for this thing that is here to stay.

The problem is this—the main one. The people in the business have built mammoth institutions and they have built them along a certain line—some, just motion pictures and some, motion pictures and vaudeville, and some, vaudeville alone. Now, they say, "We have built these institutions and they are successful. Why should we discard any part of that which is successful to try something new?" Now, that's the problem. So, after being a success, we found that we had some job in front of us. I only read in a magazine coming across the country yesterday that the Keith-Albee people have put a clause in their contract preventing any actor that works for them to appear on the vitaphone. I have gone around to the heads of these institutions and have tried to do a great many things with them where they would participate and be a part of the company, but as yet I must admit we have not succeeded.

So, we set out to do this. We can't take defeat so easily, so we set out to prove that we were right. Now, if you think right, you can't do wrong. So we went out and convinced the first man that it was a good thing, and he put in a machine. And then, single handed we convinced them, one at a time, by opening a second show on Broadway. Now, you have seen three Vitaphone shows on Broadway. I will admit to you that it is not good business for a firm to open three shows on Broadway, as we have at the present time, for reasons I won't go into. But, to convince the theatre people that the Vitaphone is all right, we opened number two and number three shows and showed them just what they were doing, and talked to them—that here is a public that wants to see good pictures, and since the Vitaphone is an opportunity to help the picture by its orchestration—why, they ought to put it in. Now, we convinced them one at a time, until today—the wire I had Saturday was a hundred and forty convinced theatre people. **One hundred and forty.** Now, that's quite a lot, because when we made the contract we only agreed to install one hundred and sixty the first year, so we only have twenty more to go during the year to comply with our contract.

I am going into the thing a little bit deeper with you because I was told that you gentlemen are about to graduate and that you have gone through all the courses that are to be had in a school of this kind and that you are ready for the business world. So, I am giving it to you a little bit stronger on that line. So, bear with me. I know that I sit in audiences a good many times and when somebody talks too long on one subject and gets into it too deeply I get a little bit nervous. Now I am very serious with you men since you are going out now—whoever may take up this part of the business—the things with which we are confronted right now, should get his information right now.

If one hundred and forty theatres will have these machines installed by next August 1st, why, of course, the machine will have to talk for itself. It won't be necessary, I am positive, for us to worry about the success of the machine. The theatre man, I presume, is no different than any other business man. When he sees the man around the corner doing well, he wants the same thing, and he wants it on the level with him. But, there are these obstacles to overcome, and I don't want to tell you that we are a success with it. I just want to tell you that we have a hard road to travel before the machine must find its own place. It is here, I am positive, to stay, and that the man who said, "No" today, I am sure, in the course of time, will say "Yes."

Now, the benefits. You can visualize to yourself, because, when it's all over, visualization is what makes up our career. That which is visualized is that which we can do. Now, there are some things that some people don't believe in, but we must not get discouraged. We may visualize a thing. I was very sorry a couple of weeks ago to read the head line of a newspaper, the New York American I think, where Thomas Edison said that talking pictures are a failure. Now, you know it is not so comfortable to have your life's wealth which you have slaved for invested in a thing that such a great authority as Thomas A. Edison says can't succeed. I wrote a reply and said, that which was a failure fifteen years ago is no criterion of a failure today, and that if he, himself, looked at his own bulb then and looked at it today, he wouldn't know it, the things which we have; with which to succeed today, we didn't have fifteen years ago.

Young men must not get discouraged at others saying that it is not a success. You must be satisfied in your own mind, as I was when I saw first that the Vitaphone is an instrument that will bring to the small hamlet and the small theatre, thinking of that ninety-six seat theatre, the same performance that the big theatre has, because there is no reason in this modern world today why an instrument of this kind cannot bring the same show in a town of ten thousand, with a theatre of eight hundred seats, that is being performed in a theatre in a big city of five thousand seats.

Now, the method of distribution of a thing of that kind takes time, and how that is going to be done I can't say just yet. There are a great many problems to solve in the distributing end of the Vitaphone. You have the charge of the big theatre, and you have the charge of the small one, but I am sure we will ultimately overcome problems that are existing, and, in particular, with the assistance of the Western Electric Company, whose name the machine carries. I won't go any further on the Vitaphone.

There are a great many other new inventions, or new methods, that are re-

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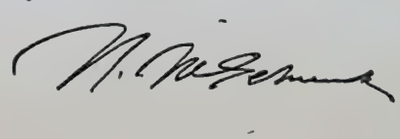
*Canada has always been a country which has been a favorite with me, and my visits to your country have only increased its popularity. Canada has within her own boundaries vast reservoirs of wealth, her soil is rich in its productive facilities, and her leaders and people are imbued with that desire for growth which is bound to add to Canada's development and the engineering of her resources. May Canada's future be a continuous jubilee.*



# Directing the Picture

## By CECIL B. De MILLE

(Extracts from an address delivered before the Harvard Business School.)

THE motion picture director is in the position of the leader of an orchestra. He waves a baton in order to get the right tempo. He sees that the bassoon does not come in while the violin is playing its solo. He holds together all the departments and sees that they all function on time, that everything meets in this little set where he is about to turn a camera for a few minutes. The months of preparation to bring about that moment I will cover first.

The first thing is the idea. What idea are you going to produce? The sales department will always name to you the last success, whatever it was, and say, "Produce that because it was a success." Had you named that idea to the sales department before it was a success they would have thrown up their hands in horror and would have said, "But nobody wants to see that." That has been my experience in blazing a trail practically from the beginning of pictures, that nobody was in sympathy with the subject I wanted to do until after it was a success.

Mr. Joseph P. Kennedy (the Chairman of the meeting) kindly mentioned "The King of Kings." At a time when everybody is producing melodrama, when such plays as "Crime," "Broadway" and "The Spider" are intriguing the public, I felt that the world was ready for the life of Christ. When I suggested it, we almost had to resuscitate artificially, the financial department. They said, "No; what they want is melodrama." But that is the time to do the other thing.

Then comes the matter of the treatment, the treatment at least as to whether the subject is big enough to carry on what we call a super-special. When that point is decided, the amount of money to be expended comes next, whether the idea is big enough to carry $150,000, $200,000, $300,000, $500,000 or $1,000,000, as the case may be. In the case of "The King of Kings" the cost was $2,300,000.

That seemed a ridiculous amount of money to expend on an idea that the financial department was sure could not be successful. That is why the director has gray hairs, because he is the fellow who dreams, and he has to make his dreams come true. That is the advantage he has over most dreamers. He has no choice. If he does not make them come true he is like the General who does not take his objective, and you know what happens to Generals who don't.

Your first treatment resembles the plan of a house. You do not sit down and have a writer write a scenario. You draft a treatment, that is, a plan. You look for a foundation on which to stand your story. The wise director will never let his manuscript go to continuity form until he has that treatment. In other words, it is as if you were going to build a house and the architect said, "I have a magnificent roof and some lovely walls," and you said, "What are you going to stand it on?" A foolish reply would be, "I don't know, but the roof is beautiful." That is the danger of the green director or the green writer. They are blinded by the beauty of the walls and the roof.

Some of you may have seen the picture called "The Ten Commandments." In that we were given the proposition of opening and closing the Red Sea. Nobody had opened and closed the Red Sea before except on one memorable occasion, but we nevertheless had to duplicate that. That was done with fourteen exposures on the film.

Then comes the costume department. If it is a costume picture the research department must start months before, because, for instance, in "The King of Kings," you cannot take Renaissance paintings and say, "Let us find out what the costumes were, there." If you recall Rembrandt's painting of Pharaoh's daughter finding Moses in the bulrushes, she is clad in a long-waisted Elizabethan gown and the page holding back the bulrushes is in tights with velvet trunks and a red hat with a beautiful long feather in it. The Renaissance artists painted in the costume of their time. They did not have the money to have great research departments such as we have, so that the motion picture is infinitely more correct in its historical detail than Renaissance art or any other art that I know of in painting.

Your art director now has gone out and is starting his various functions in his twenty-two departments to bring about the first set. The next point is the camera. The selection of a cameraman is vitally important. In painting, if you were going to do a painting of the battle of Waterloo, you would employ Corot to paint it, because he paints a different type of thing. So with motion pictures, certain cameramen are excellent for the pastoral scenes while other cameramen are better fitted for drama.

In the matter of lighting I am going to reminisce for a moment. When we first went to California, everything was sunlight. Having come from the stage I wanted to get an effect, so I borrowed a spotlight from an old theatre in Los Angeles. I was taking a photograph of a spy in "The Warrens of Virginia." The spy was coming through a curtain and I lighted half his face only, just a smash of light from one side, the other side going dark. I saw the effect on the screen and carried out that idea of lighting all through the rest of the picture, that is, a smash of light from one side or the other, a method that we now use constantly.

When I sent the picture on, I received the most amazing telegram from the then head of the sales department, saying, "Have you gone mad? Do you expect us to be able to sell a picture for full price when you show only half of the man?" This isn't an exaggeration, gentlemen. This is exactly as it occurred. The exhibitor immediately used the same argument, and said the picture was no good as we only showed half the man. And they telegraphed back to me, "We don't know what to do; we can't sell this picture."

And I was really desperate.

But (as I told you) the director has to go through; he has to do something, so Allah was very kind and suggested to me the phrase: "Rembrandt lighting." And I sent a telegram to New York and I said: "If you fellows are so dumb that you don't know Rembrandt lighting when you see it, don't blame me." The sales department said, "Rembrandt lighting!—what a sales argument!" They took the picture out and charged the exhibitor twice as much for it, because it had Rembrandt lighting. That is the story of the inception of artificial light in motion pictures today.

The next point is cast. Is your story strong enough to be made without using a star? Or is it so weak that you must have a great, well-known personality? We will talk about "The King of Kings" for argument's sake and say that this subject is big enough so that it requires no star.

We send for the casting director and we say: "Here are the types that we want. I am going to require Twelve Disciples; I am going to require Mary the Mother; I am going to require Mary Magdalene; I am going to require Simon the Cyrenean — not just people who are merely capable of playing these parts, but people who will sit in the frame of such a picture, not just actors or actresses, but types that are psychologically right."

The theory of casting a picture is a very important and very subtle one. You have got to make a combination that the public wants to see and that will give you the highest point in artistry for the amount of money expended. The director has to fit his cast accordingly. He has to consider the general frame of the picture, and by frame I mean the atmosphere.

If possible, select from the screen first before you see the individual, so that you get the screen personality. That is a very, very important point. The same is true in acting a scene. You cannot judge it with the eye. You do say, but you shouldn't, that that is a great scene; that it was finely done; that it will be wonderful. You should see it that night on the screen before deciding whether it is good or bad. For every important role we are obliged to make preliminary screen tests of characters in make-up or costumes.

When you are bringing together a leading lady from one organization and a leading man who is in another or who is free-lancing, the difference in the matter of make-ups is important. The camera man must light for each one of those two faces. If he lights for the girl, who is very light, the man looks like an Arab. If he lights for the man, the woman goes entirely white and you cannot see her features at all. There must be a blending, and all that costs a great deal of money, and yet the picture has not started. Up to this point in "The King of Kings" we spent $200,000.

All the 22 departments have been functioning and your set is ready. The actors are there in make-up, ready to begin. If you have a great big set, the number of cameras is important because sometimes, if you have, we wil say, 200 or 300 people in the set you are working in, you use as many as 14 cameras on one scene, to take your close-ups and long shots at the same time with different lenses. The number of cameras is very expensive, so you have got to be very sure that you are going to require them. Your director can ruin an organization in the matter of waste of film alone.

The element of time is a vital factor. In the case of "The King of Kings,"

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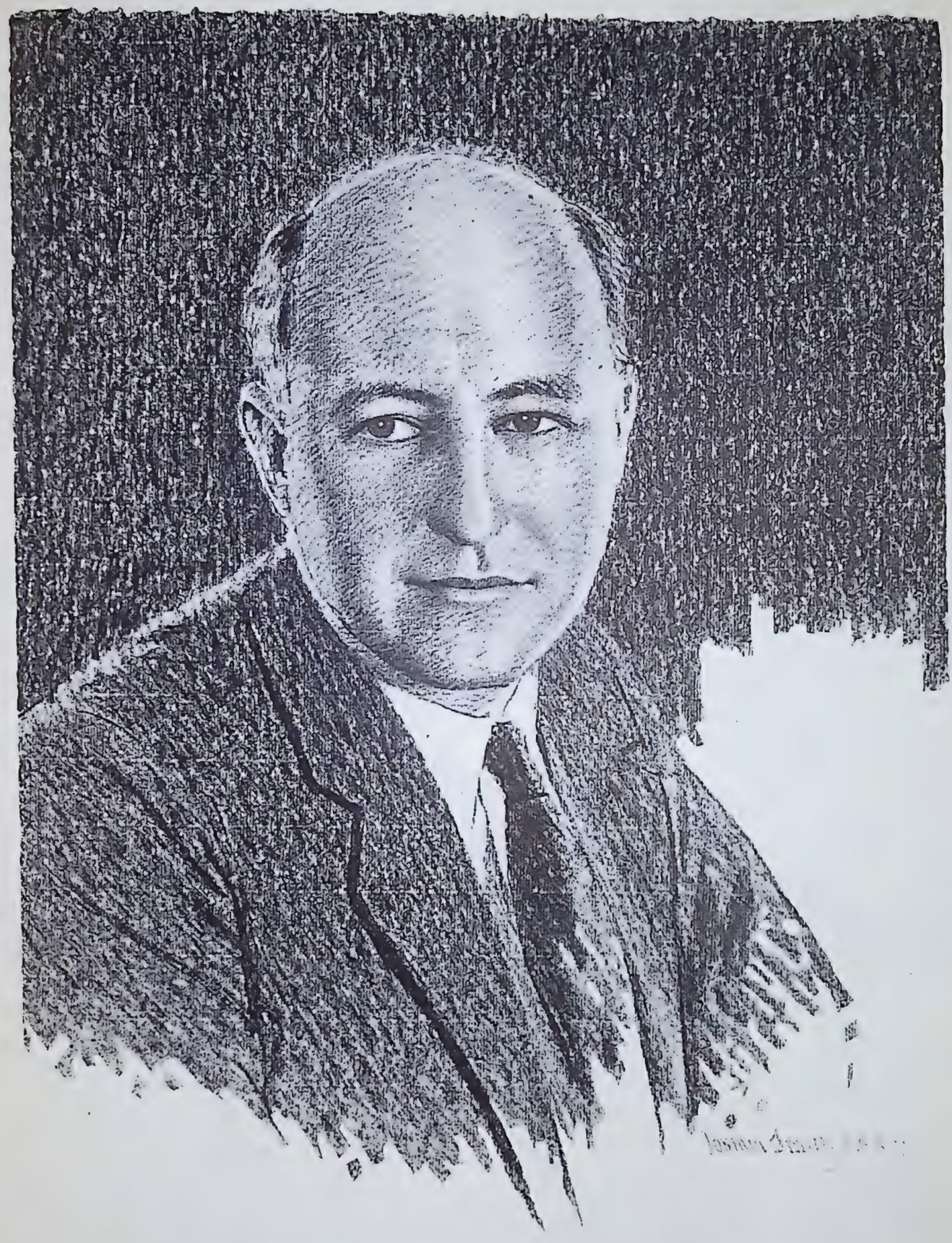

*At this important moment in the history of Canada I want to express the thought that the Motion Picture is playing a very vital part in creating still more intimate understanding between the Dominion and the United States. The film of course cannot claim all the credit, but it is undoubtedly true that this medium of expression is perhaps the greatest source for International friendship we have ever had. It replaces the old time tangle of statesman's oratory with living, breathing humans; and real humanity always triumphs over misunderstanding. Let me take this opportunity to congratulate you personally on the splendid advance of your new publication during the past year. With all kindest regards.*

Cecil B. de Mille.

# The Spice of the Programme

## By EARLE W. HAMMONS

*THIRTEENTH LECTURE*
*Baker Library, Soldiers' Field*
*April 27, 1927, 3.30 P.M.*
*Mr. Joseph P. Kennedy, Presiding*

*The speaker today, Mr. Hammons, is President of Educational Pictures, Inc. The title of the company is really a misnomer. Mr. Hammons' company specializes in short subjects, and they are the only company in the business today that does that, that is, news reels, single reel and two reels, principally comedies. They do some work in educational pictures, but that makes up a very small part of their regular business.*

*Their method of distribution is a great deal similar to the other companies but their type of business is entirely different, and it is really the only type of business that we have not covered in the lectures. I take pleasure in introducing Mr. Earle W. Hammons, President of Educational Pictures, Inc.*

GENTLEMEN, I am very pleased to know you, and I have had the pleasure in the last few hours of going around your grounds and seeing some of your buildings, and it seems to me that a much more interesting subject would be to talk about what you have here. However, I am to talk on short subjects, and I will do the best I can.

I have something written out here and I will merely start reading some of it until I get into what you want to have me talk about.

Mr. Kennedy stated that the word educational is a misnomer, but there is a reason for it, like everything else. When I first organized this company in 1915, it was with the sole idea that I would produce strictly educational pictures. It did not take me very long to find out that the demand did not exist and we could not survive by doing that alone. While I have had that objective in mind I have had to take a wide curve in order to eventually reach that final objective, in the meanwhile, supplying the theatres of the country.

We supply a little over 13,000 theatres, which I think is the widest distribution of any of the companies. We issue only what we term short reel subjects. By short reel subjects I mean anything of 2,000 feet or less, taking from five to ten minutes to half an hour to run. You gentlemen have heard about the feature pictures and the feature operations, and I will start out by trying to tell you what relation the short subjects have to the features.

Of course the feature pictures are the most expensive and a great many theatres use feature pictures as the backbone of their program. The short subjects, in my opinion, are just as important to a theatre as the features. If you have a meal it is important to have your entree but it is equally important to your satisfaction possibly to have soup, vegetables, salad, dessert and coffee. Our slogan is: "Educational Pictures, the spice of the program."

The principal product that we have released — probably some of you have seen them at the theatres — consists of the Mermaid Comedies, Christie Comedies, Bobby Vernon Comedies, Cameo Comedies, Tuxedo Comedies, Juvenile Comedies, Lloyd Hamilton Comedies and Lupino Lane Comedies, and we also put out the Kinograms news-weekly reel.

Originally all pictures were short-reel features. The first picture was 200 or 300 feet. When the first three-reel picture was made it occasioned a great deal of criticism. They said no audience would sit through three reels or 45 minutes, of a motion picture, so the theatres ran it in serial form, one reel one night, another reel the next night and a third reel the third night. Finally, they found an audience would sit through more than 45 minutes, and that resulted in the development of the feature picture.

The short reels are very important to a program of entertainment. The theatres primarily want to give you entertainment. While there is a place for the big super-features like Mr. DeMille makes and like Mr. Griffith makes, there is a place for the short subject also, just as in the field of books there is a place for magazines and short stories, and our pictures are short stories in screen form.

I think we are under more of a handicap in making short reels than is the producer of the so-called feature. By feature I mean a picture of five reels or more in length, anything running from an hour and 15 minutes to two or three hours. That is called a feature. We are limited, however, to thirty minutes. Through a peculiarity in the exhibiting end of the business, anything between two reels and three reels in length has rarely proved a success because it does not fit into a program. If I had a picture three and a half reels in length, regardless of the fact that it might require that length to properly tell the story, and I go to you, a theatre manager, you are apt to say you have no room. Therefore, we are limited and must make our pictures within that length of film.

Incidentally the comedy is the most difficult picture in the world to make. There are hundreds of directors at the present time around the world, in Hollywood principally, who are capable of taking a manuscript and making a so-called feature picture. But you can count on your fingers the men capable of making saleable two-reel comedies. In a drama you can use the same theme over and over again, but with a comedy you can't. It is like telling a story. You have a laugh the first time, but if you keep on repeating that story it falls flat. Therefore, comedies to be successful must have constantly something different. One of our most prominent directors in talking about the laughs in a picture claims that a laugh is worth $330 apiece. That is what he figures it out to be.

The variety that we have to get is what makes it so difficult. A comedy director ordinarily does not work from a script. He gets a fair skeleton outline of the picture and he has two or three so-called "gag" men.

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*Pioneers have always commanded our greatest respect and admiration. In our own small way in business we have tried to pioneer our field. And so we have another reason for wishing most sincerely to pay our respects to the people of Canada at this time, for Canada has been essentially a nation of pioneers, with the spirit of youth and courage. The history of the Dominion is brief as the history of nations goes, but it is packed with glorious deeds. May the last sixty years prove to be but the paving of the way to centuries of greatness — and of peace. And may the traditional clasping of hands across the border grow ever firmer and prove an increasingly powerful example to the rest of the world.*

E. W. Hammons

# Distribution

By SYDNEY R. KENT

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from that point on we will follow their course through different charts. The foreign negative is shipped to London and then to other countries and averages 142 prints distributed among 115 foreign exchanges serving 73 countries. The countries that are in red on the chart represent those countries in which we have our own man power and our own offices. In the countries in black—and this is typical of any modern distributing organization — we sell outright because there is not enough business as yet developed to pay us to operate an office.

The titles are translated from English into these 38 languages. As a matter of fact, even our English has to be translated into other forms of English in order that it may be understood. The same titles that are used here cannot be used, for instance, in England. Many expressions that we have here are not understood by the rank and file of those people, and so the titles are translated into the average language of the country, in other words, the language that is understandable to the greatest mass of people.

The foreign situation, boys, I want to take three or four minutes on because it is exceedingly interesting. I doubt if there is a sales situation in any line of industry that is quite as intricate, quite as fascinating, quite as interesting as the distribution of modern motion pictures in foreign countries because of the problems that we have to contend with.

First, the man who successfully distributes motion pictures in foreign countries must be first a diplomat and second a salesman. You run into not so much the problems of selling, of merchandising to the customer, but you run into all kinds of foreign laws, all kinds of agitation and all kinds of national aspirations peculiar to the people of that particular country. You run into situations that would be foreign to any sales problem that you could meet in any other line of business. For instance, if you go abroad with oil or with any other commodity or merchandise, if your quality and price are right and you make a sale, that is fine. But that is not true with us. American motion pictures at the present time are meeting with a great deal of opposition in foreign countries because they carry something that no other merchandise in the world carries. Motion pictures, boys, are silent propaganda, even though not made with that thought in mind at all. You cannot prevent it. You can imagine the effect on people in the Balkan States who constantly see flashed on the screen American modes of travel, everything that is done in this country constantly before their eyes. That surely must awaken within them some thought, some ambition.

I remember shortly after the war being in a little town in Roumania that had been destroyed and was being rebuilt. I stayed throughout the day and went to the little theatre which was in an old livery stable. An old projection machine was run there at night with an American motion picture. The women were working in the brick yards, a great deal of brick being used to rebuild the town, and these women were hitched to two-wheel carts alongside of big dogs, and at night their only form of recreation was to come in and see an American motion picture. As I sat there I thought of what was going through the minds of those people who were looking at those palatial homes and the marvelous sky line of New York and what must be the reaction of seeing things of that kind considering the circumstances under which they were living and existing.

That is one of the things that foreign governments and foreign peoples are fighting against, and not without just cause. It is a situation that has to be handled with a great deal of sympathy and understanding because the American motion picture bears a great and direct relation to the American trade balance abroad. Don't forget that. If you investigate the automobile situation you will find that the American automobiles are making terrific inroads on foreign makes of cars, and the greatest agency for selling American automobiles abroad is the American motion picture that shows the American automobile being operated on our streets. That is insidiously working all the time and even though it is done without any intent to make a direct sales agency it becomes that, and it is a very interesting study.

Every one of those foreign countries in which we distribute has its own background and its own history. They want to produce the stories that are native to their own country; they want to have their own industry. Take the case of a nation like the English nation, with colonial possessions all over the world, a nation that lives on trade and barter, and the motion picture is a most vital thing in the life of that people. England is making a terrific effort to build up a Motion Picture Industry by forcing on exhibitors of their own country a quota that obliges them to show a certain percentage of home-made pictures in order that they can make a market by law for merchandise that they are attempting to produce in competition with American pictures. And so, boys, the foreign situation in motion pictures is a very interesting study. I could talk on it, I believe, for two hours at least, and give you many things that would bring to you problems for discussion in your class, but I must pass on. In our New York office you will find represented men from all of these countries, men who are students of these languages, who translate, before the negative is shipped to London, our titles into the languages of these 38 countries and territories that you see represented here.

I am going to take a motion picture as a specific example and show you what happens to it after it reaches our hands and also show you the make-up of the modern motion picture distributing company.

This is what I call the cabinet (indicating chart). Here is the general manager in charge. From the selling standpoint the United States is divided into three divisions, the eastern, the central, and the western. Those divisions are competitive as to dollars and cents results and competitive in every form in which we can bring about competition. Each one is responsible for a certain portion of the United States quota. For instance, the eastern division, because of the thickly populated section of the country and having the greater number of cities, will have about 40; the central division about 30 and the western about 30. This territory, however, has a larger quota than the others combined because the have to take in a greater area in the west, which has not as many possibilities for producing revenue.

When a picture reaches our office the first thing we do is to call into session all of these department heads you see here. Then we screen the production and between us we try and work out the revenue possibilities of that particular subject. If we cannot agree among ourselves or if there is no consensus of opinion we put on a number of test runs throughout the country; we will place it in a dozen small theatres, in two or three large ones and in a few medium-sized towns and find out what the public response is to that picture. Based on that public response we work out for ourselves a formula, as nearly as we can judge it, of what that picture will produce. If a picture has a quota of a million and a half, that million and a half is divided up between these three division managers who accept their proportionate responsibility of the whole. They in turn pass that quota on to their district managers, to their branch managers and to their salesmen. I will show you later by specific example exactly how that is done.

At the same time we bring into play the sales statistical department. This department keeps a record of the history of all accounts for a period of eight or nine years back and, in order to prove a formula—say, for instance, that we have set a price of a million and a half dollars on a motion picture—we take these charts that the statistical department has gotten together and check the theatres by each zone, by each branch and by each district and each division to see whether or not it is possible for that amount of money to be taken out of the picture, and we prove it either up or down according to that formula.

Then we have the Exchange Accounting Department. This is not pertinent to the sale of a picture except they handle the contract records and advise us weekly of the amount of business coming in on one or more productions.

Then we have what we call an Ad. Sales Department. This department creates the lithographs, 24 sheets, one-sheets, window cards and everything in the way of an advertising novelty that goes into the publicizing of a motion picture. In the Famous Players-Lasky Company this department is tied in with distribution and they must carry in their branches all of the articles to make up the publicity or advertising end of that picture.

Then we have the purchasing department ,that orders the prints, takes care of the distribution of them, purchases the equipment, lithographs, and so forth, and stores them and orders them out on requisition.

Here is the advertising department (indicating on chart). They come into play with national magazines and newspapers, trade papers, press sheets and so forth.

Then we have the Sales Promotion Department who carry on direct by mail campaigns to the exhibitor and direct mail campaigns to the public and bring about advertising tie-ups.

Then we have the Budget Department, who control the budget that is assigned to each department of the Distribution Department. Each one of these departments, including the division managers, have a certain amount of money on which they operate, and every week, as their expenses are checked in, they are advised how much under or over budget they may be, and of course if they are over they get a lot of hell.

Here is the Welfare Department (in-

(Continued on Page 95)

*I am proud to say that I have many good friends in Canada and I want to take this opportunity of congratulating them and all Canadians on the celebration of the Sixtieth Anniversary of the Federation of the Canadian Provinces. I wish I could be in Canada at this time to take part in the festivities which I know will be an inspiration to all true lovers of democracy.*

J. A. Rowland

# *Elmer Pearson's Unfailing Judgment*

ELMER PEARSON, who has been identified with motion pictures since 1912, and with Pathe since 1918, is one of the outstanding figures in the motion picture Industry today.

He is the youngest executive at the head of a big company, but he has built up a reputation for shrewd judgment which is almost uncanny. Mr. Pearson has made no bid for personal publicity, he has never been interviewed for a newspaper, but his reputation is so well founded in the trade that exhibitors and other picture experts have a slogan concerning him:

"Pearson's guessed right again!" they repeat whenever he steals a march on his competitors by scoring a beat, or when he makes millions for his company out of a product no one else had the nerve to handle.

This was the verdict when he made a fortune by releasing "Nanook of the North" after it had been turned down by nearly every company, because no one had the vision to appreciate its unusual quality. They repeated it when he was able to release the Tunney series immediately after the big Tunney-Dempsey encounter in Philadelphia, the result of which fooled even the sporting experts, but Pearson, months before the fight had even been scheduled, quietly ordered "The Fighting Marine" series to be made, because his keen judgment once more told him what the result of such an encounter would be.

He is the man who made Lloyd, Langdon and a dozen other successful screen personalities. Against the wishes of the old timers, he put Lloyd into his first long feature, soon after he was made General Manager of Pathe in 1921, at a time when no one believed the comedian could hold public interest in more than two reels. The result was that "Grandma's Boy" and other Lloyd feature length comedies swept the country, and are still being played successfully.

That it pays to guess right is proved by the profits of Pathe, which, under his management, have averaged over a million a year.

Born in 1884 in Central Nebraska, at a time when it was real frontier country, with roving bands of Indians no uncommon sight, his business career began at the age of 17 as bookkeeper for the Wholesale Fruit and Cigar Mfg. Co. He rose to be salesman and sales manager and worked successfully for the Simmons Hardware Co., St. Louis; H. P. Law and Co., wholesale grocers, Lincoln Nebraska; the Union Pacific Co., Omaha; J. Grainger and Co. and H. E. Gooch and Co., also of Lincoln, Nebraska; and the S. H. Chatten Lumber Co. of Kansas City.

This period laid a good foundation for business judgment, embracing, as it did, sales experience in selling groceries, cigars, fruits, advertising, candy, securities, soaps, lumber, paper and hardware.

In 1912 young Pearson joined the General Film Co., where he served for nearly three years as its Omaha Branch Manager, after which he was successively Branch Manager for Pathe, World, V.L.S.E., Universal and First National. He was also, for one year, Sales Manager for Essanay Mfg. Co., under the George Kleine System.

In May, 1919, he was appointed Feature Sales Manager for Pathe Exchange, Inc., soon after becoming Director of Exchanges, and in 1921 he became Vice-President and General Manager, which position he has held to date.

"Amusement depends so entirely upon the genius of the individual," he states, "that the Motion Picture Industry can never be monopolized by any comparatively small group, and it must ever maintain an attractive open door to producers and players of ability. Such people are, and always will be, rarer and deserve encouragement.

Flat salaries and dictation as a rule are not relished, whereas equitable participation in both profit and management brings advantages to all concerned.

This generous policy has made him one of the most popular, as well as successful, executives in motion pictures today.

**ELECTRICS LIMITED**

**Theatre Equipment Division**

**Albee Bldg., 12 Mayor St.**

**MONTREAL**

*Congratulations to Canada on her Diamond Jubilee of Confederation—as every Province is a spoke in the wheel of our Dominion—so the POWERS and SIMPLEX PROJECTORS and Parts are units of the Canadian Picture Industry*

# *Jubilee!*

Canada is celebrating her Diamond Jubilee —sixty years of progress in the making of a nation.

As a Canadian enterprise, which has progressed with Canada, we join in her glorious celebration.

May peace, unity and plenty be her destiny; and may she in her growth project those principles and aspirations so fruitfully demonstrated by the Fathers of Confederation.

"A Canadian Friend"

*Happy is the country with many friends and no enemies, and such is Canada. I congratulate our neighbors on the completion of sixty years of progress as one Dominion, with one central government. I congratulate them on the wisdom with which they have consistenly met their every problem; on the courage and moral strength which is their birthright; and on the amazing strides they have made in developing their vast natural resources.*

Edmund Peaslee

# The Art of Screen Acting

By MILTON SILLS

SOME months ago, together with a few of my colleagues, I was asked to speak over the radio at Philadelphia. It was advertised in advance that telegraphic questions to the speakers would be answered. The result was an inundation of wires, most of which were impossible for us even to read before the ceremonies began. Among the wires I received, there was only one that remains in my mind. It ran as follows: Where were you born and why? This malicious question pierced the armor of my self-complaisance and rankled. In an effort to save my face, I elected to regard it not as a personal insult, but as a challenge to the profession to which I belonged. Why does the actor exist? The question set me thinking, and the result was an appraisal of the actor's service.

Certainly the salaries we received were notorious, if not a crying scandal. Women's clubs had passed resolutions denouncing them, even suggesting that they be reduced by legislation. Mountebanks were paid stipends many times larger than the wages of the president; and instead of contributing important public service in return, they were debauching the youth of the nation by the wickedness of their private conduct and the bad example of their performances on the screen. What could possibly justify such a state of affairs?

Let us look the facts in the face, let us glance at the numbers of actors employed in the motion picture Industry, get a rough idea of the compensation they receive and learn something of the conditions under which they work and live. Then let us ask ourselves the nature and the importance of their contribution.

Roughly, the human figures you see on the screen can be divided into five classes: the "extra players," the "rank and file" actors, "featured" artists, stars and actor-producers.

As Mr. Hays has told you, there are some 18,000 extras registered in Hollywood, receiving from $5 to $15 per day — but neither every day nor simultaneously. Their living is precarious; nevertheless, they perform an essential function in the making of pictures, supplying the necessary human background and environment of the principal actors in the production. They have, for the most part, sufficient experience and training to execute what is required of them with a minimum expenditure of time and explanation, thus economising on production cost. In addition, they constitute the nursery of the Industry where the stars and principal players of tomorrow are incubated. A very serious problem is the discovery and development of new talent. There is a great dearth of leading men and leading women especially. Where several hundred productions are made annually, there is not enough good talent to go 'round — the result registering in mediocre and inadequate casts. "We must have new faces," is the perennial cry of the producer. His hope lies in the ranks of the "extra." The extra's sole inducement, in most cases, for enduring his unenviable lot is the glittering promise of advancement. Ability or luck may turn the trick over night. It is a gamble, heart-breaking or fascinating, according to one's temperamental outlook. Only a few have been chosen, but among these there are some of the most gifted, conspicuous and fortunate names in the profession.

The gulf between the "extra" and the actor is rather wide. It is defined largely by the acolade known in the Industry as "screen credit." This is bestowed upon the actor when his name is placed in the cast at the beginning of the picture, or thrown upon the screen at his first appearance. It is the ambition of every actor to receive "screen credit." The number who have been promoted to this eminence in Hollywood is roughly 2,000. Most of these are employed by the day from $20 up. Most of them receive "screen credit" only intermittently.

The number of actors who receive under $500 per week and who are in occasional demand is approximately 1,000. A large percentage of these have average annual incomes of about $3,000. A few run as high as $8,000 or $10,000. Accurate figures are, however, not available.

Of first-class actors, in almost constant demand, there are about 300.

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*MILTON SILLS*

*If you can find the town of New Palestine, Ohio, on the map, you will have located the town where Milton Sills made his stage debut.*

*The young actor, now a First National star, but then a graduate student and fellow in philosophy at the University of Chicago, in which city he was born, had decided to forego the degree of Doctor of Philosophy and turn to the stage. He had been offered a job with the Donald Roberston players, a stock company in Chicago. But just to make sure of his stage presence he joined a kerosene group of troupers starting out for a tour of the tank towns of Ohio. So it was in the town of New Palestine that he made his start, in a gory old melodrama, "Dora Thorne," in which he played the hero and rescued the "gu-r-r-l" just in the nick of time.*

*In 1914 William A. Brady, then embarking on a movie production career, offered him $350 a week to play in "The Pit," with Wilton Lackaye, at the old Fort Lee studio for World Films. Sills "doubled in brass," as he was playing on the stage at the same time.*

*He continued doubling thus for two years, and finally came west to play in "The Honor System," which brought him fame.*

*His success in pictures was rapid. He furnished the rugged, virile, powerful type so favored by movie audiences.*

*Finally came the tremendous success, "The Sea Hawk," which established Sills unquestionably as a star. Shortly after this Frank Lloyd production, John McCormick, general manager of West Coast production for First National signed Sills to a long-term starring contract, and his pictures since then have been one string of successes. Notable among these are "Men of Steel," and "The Silent Lover." His latest production is an adaptation of Mary Heaton Vorse's Liberty Magazine story, "The Runaway Enchantress."*

*As an American who has spent many delightful months in Canada and who always has looked with the sincerest respect upon the fine expression of democracy found in the Dominion Government, I want to send my congratulations through The Digest to all Canadians. This is indeed an anniversary of which you may well be proud. In these days of unrest and change, Canada stands as a bulwark of Independence and Justice on which we may all look with profound admiration.*

Milton Sills

# Fine Product, Fine Service

By SAM E. MORRIS

*General Manager of Distribution.*

WARNER BROS. is on the threshold of a new season destined to be the greatest in the history of the organization. Likewise Warner exhibitors are approaching the year when they will get the finest product and the finest service that they have ever had. In Great Britain and in Canada the company has never been in such an excellent position to supply a wonderful line-up of box-office attractions to theatre owners.

During 1927-1928 Warner Bros. will make 26 Warner Winners bigger from every angle than the 26 released this year . . . and they were money-makers, every one of them. In addition there will be a group of Extended Run Productions that will mean tremendous profit.

We are now able to handle the distribution of our output to the British Empire as it should be done. In April, 1925, Warner Bros. acquired the Vitagraph Exchanges and the Canadian branches that have been developed from this purchase are now functioning with 100 per cent efficiency. Exhibitors can depend on real service from C. R. Osborn, manager in Montreal; Joseph Lieberman, manager in St. John; Frank Meyers, in Toronto; R. W. Wilson, in Vancouver, and Wolfe Cohen in Winnipeg; and B. F. Lyons, our Canadian General Manager.

Mr. Herman Starr is now abroad completing a perfect system of British distribution for Warner pictures in London, Liverpool, Leeds, Cardiff, Birmingham, Newcastle, Glasgow, and Manchester. The current product is being prepared for trade showing and that part of it already screened has been enthusiastically received. The British exhibitors have responded splendidly to the service and co-operation we have been giving them.

The same good will toward the Warner product has been demonstrated in Canada, where we are finishing a remarkable season as the foundation for an even bigger one next year. In March we had a special drive for Canadian play dates, and as a result wrote the biggest business ever recorded.

Warner Bros. are on the top with exhibitors today for one good reason. Their policies have always been sane, sensible and equitable. Their pictures have been shaped for the box-office, sure in their popular appeal to filmgoers everywhere, as successful in Canada as in the United States, as successful in England as in Canada.

We started out with the idea that there was room in this business for a producing organization that could supply the existing demands for popular entertainment. We have proceeded under a different plan from most companies by placing supervision in the hands of one person — Jack Warner, a member of the firm. This plan has been conscientiously followed from the selection of the story until the time the negative is ready for shipment east. Consequently, every feature is a specialized attraction. Exhibitors know the successful results.

The same policies will be followed in the preparation of the new 26 Winners as well as in the making of the Extended Run Productions. We feel that the latter group is going to be unusually welcome to showmen everywhere. They know the big record smashers they are getting in "Don Juan," "When a Man Loves," and "The Better 'Ole." Every one on the Extended Run program is going to be just as great — some even greater.

In connection with the new season's production there is another vital box-office angle to consider. All Warner pictures will be Vitaphoned in order to meet the demands of these houses where the device has already been installed or where it has been ordered for the future. However, the releases will be available to **all** theatres with or without the Vitaphone accompaniment, in accordance with the individual needs of the exhibitor.

The Warner line-up for 1927-28 is truly tremendous. All the resources of our West Coast Studios, all the sales power of our New York office, all the efficiency of our international distributing facilities are at the service of the exhibitor to make his year a year of Warner profits.

I live in Canada,

I rejoice in Canada,

I celebrate with Canada

Her Diamond Jubilee

and extend to

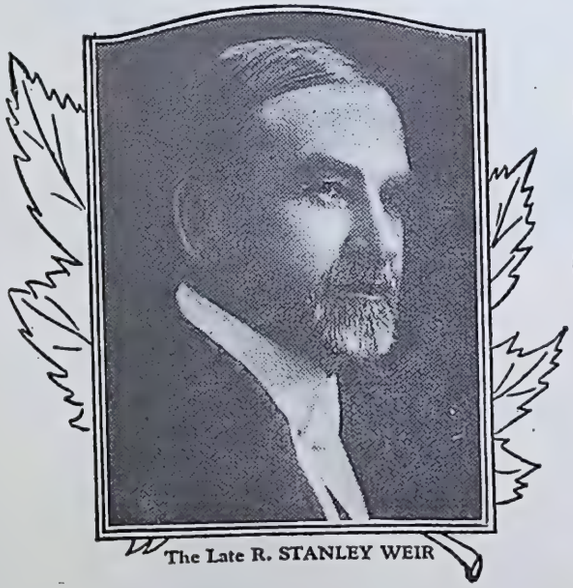
Canada my Best

Wishes

**B. F. LYONS**

*Canadian General Manager,*

Warner Bros.



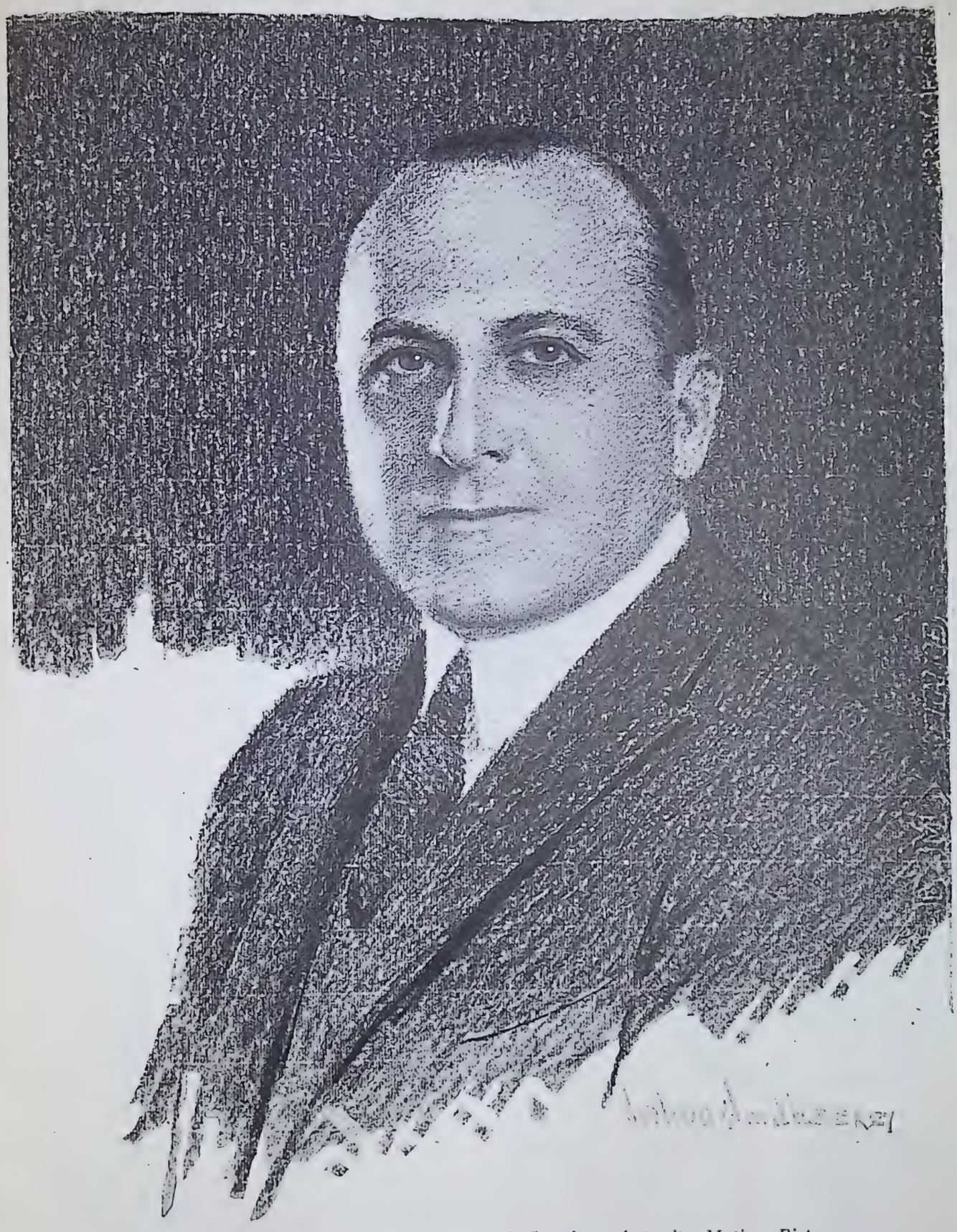
The Late R. STANLEY WEIR

# O, CANADA

**Words by WEIR Music by LAVALLEE**

**O Canada! Our home, our native land!**
**True patriot love in all thy sons command,**
**With glowing hearts we see thee rise,**
**The True North, strong and free,**
**And stand on guard, O Canada,**
**We stand on guard for thee,**
**O Canada, glorious and free,**
**We stand on guard, we stand on guard for thee!**
**O Canada, we stand on guard for thee!**

**Owing to the fact that numerous suggestions were received from all parts of Canada that a uniform English version of "O Canada" be approved, the National Committee for the Celebration of the Diamond Jubilee of Confederation circularized the Prime Ministers and the Ministers of Education of all the Provinces. Replies were received that the version written by the late R. Stanley Weir, D.C.L., Recorder of Montreal, is being used in the schools of all the Provinces, including the English-speaking sections of Quebec. In view of this, the Committee is using the Weir version in its own publications.**



*Congratulations to the Dominion of Canada and to its Motion Picture Theatres. Canadian and American film relations have always been of the friendliest, inspired by their respective national ideals. The future holds even greater promise of cordial co-operation, for the Motion Picture is one of the great ties that bind these two nations together.*

Sam E. Morris

# Directing the Picture

By CECIL B. DE MILLE

(Continued from Page 74)

that picture cost $19,000 a day to make for 116 days of shooting time, or $2,225 an hour. You can see what a moment's indecision means. You can see what a little absentmindedness on the part of a director or a property-man can mean if he leaves a certain "prop" at home; and if you lose two hours waiting for it, you can figure the cost of forgetting Pharaoh's wand.

To show you the quick thought that a man must have, in the case of the opening of the Red Sea that I spoke of a few moments ago, those of you who may have seen "The Ten Commandments" remember that you see the Children of Israel coming along through the bottom of the sea for about a mile and a half. The exposure took in the walls of water on each side of that and it was in a curve, if you recall. They were driving their flocks of cattle through and if a sheep or cow ran off into the side out of that line they would run into one of the walls of water.

Of course the walls of water were not there actually. They were on the second exposure of film, and if the flocks wandered off at all, you would be treated to the sight of having a herd of sheep stroll into the Pacific Ocean. Therefore, we had to build a fence that exactly corersponded to the lines which were to be the walls of water, to keep the cattle inside of those two walls of supposed water.

But the fence posts threw a shadow. When we inspected them before shooting we saw that there were shadows for a mile down in the bottom of the Red Sea, shadows of fence posts. The only thing to do was to shoot it exactly at noon. There were 3,000 people and 8,000 animals in that. That was quite an undertaking. However, we prepared to do it, and at 11.40 some bright chap came to me and said: "Mr. De Mille, do you know the bottom of the Red Sea is dry?"

Of course the sand was dry. Here we had just sent the waters apart and yet the bottom of the sea was perfectly dry. This was twenty minutes before we got ready to turn the camera, and the cost on that location was $50,000 a day. That meant a full day just to move the animals and people out to that location, which was a long way from camp. So with $50,000 at stake and twenty minutes to save it, I called for a quick suggestion as to how we could darken that sand for over a mile. If we can get it dark and glistening, we are saved. If that sand is dry and white, we are lost. What can we do? Somebody suggested a pump. They had some pumps there. In about eight of the twenty minutes they pumped a space from there to there (indicating a very short distance), and as soon as they were over there, this place was dried again. I suggested black paint. How much black paint have we got? The painter stepped up and said that there wasn't paint enough in California to paint that.

What would you gentlemen have done? How would you have darkened that sand? We were working by the sea within forty feet of the shore line. I will tell you how it was done, because time is pressing. Allah again was very kind. In looking around desperately and thinking, "What can I do with this thing?" I saw a great kelp bed at my feet and I said:

"Everybody, men, women and children, get up this kelp!"

They picked up the kelp and laid kelp for a mile and a half, and at exactly 12.02 we had a nice wet bottom of the sea and we turned the camera.

That is the kind of problem that the director is up against and has to solve. If we couldn't have done that, you see the loss would have been—a tremendous one.

I will give you another instance of what a director must inspire in his people, a different story, to show you the esprit de corps of the motion picture profession, and I know of nothing that will better show it to you. When that camera turns it is the wheel of fate. I was shooting a scene in "The Little American" and we were firing a line of guns, supposedly French 75's. As they were using the real ones over in France, we had to use imitations.

In the middle of this scene the breech-block blew out of one of these guns and one man had a portion of his anatomy torn away, another had a great splinter go through his mouth and tear out his cheek; that whole gun crew was shot to pieces.

But there wasn't one of these men that stopped acting. There wasn't a man on either side that turned to those fellows. They glanced at them as you would if it had been a real shell that struck, and went on with their own guns until that scene was played through and the whistle blew. Then they went to these men.

Men will give their lives, gentlemen, to carry through. Nothing will stop them. They will do anything.

I could go on talking to you gentlemen for a long time, but my time is up. I have enjoyed this brief talk, and I hope you have got something from it, because we need brains in motion pictures, and we need brains in the promotion of motion pictures, and I have the word of the professors and the deans that you have brains. (Great applause.)


***Jubilee!***

"Lives there a man with soul so dead, that never to himself hath said, this is my own, my native land."

***Congratulations***

H. V. O'CONNOR,
*Manager Regal Films.*

T. S. DALEY
The Tivoli
Greetings Toronto



As a Canadian I offer to my country most cordial greetings, and my efforts as a citizen of Toronto, to help in the progress recorded in Canada's Diamond Jubilee of Confederation.

J. F. MYERS
*Branch Manager, Warner Bros.*



¶ "Big Ben" is the largest clock in the world. it is in London, England. ¶ If BEN GELDSEALER of the Famous-Players was as large as "Big Ben" that would be the size of his greetings to Canada.

# Twenty Gems From Tiffany

BEFORE I talk about the Twenty Tiffany Gems which will crown my producing activities for 1927-28, I wish to talk about Canada; and of her Sixty Diamond Jewels which crown her Confederation; and which bejewel the Diadem of the British Empire. I sincerely extend to Canada my best wishes for a continuation of her prosperity. She has grown prodigiously since her Confederation, but now that she takes her place as a nation, her possibilities for growth, development increase. May she ever be so situated that she can build according to the foundation laid for her by her sons, The Fathers of Confederation.

The bonds of friendship that have for so many years cemented the relations between the Dominion of Canada and the United States of America, have been doubly augmented through the medium of the screen spreading the message of a universal language of tolerance and good will and engendering a neighborly spirit that makes of both our great countries the ideal of how neighbors can dwell in peace and good will. Tiffany Productions Inc. joins the rest of the world in their good wishes for the continuance of the prosperity and well being of the Dominion of Canada.

And now may I say a few words for Tiffany, the youngest, but the most progressive national organization in the business.

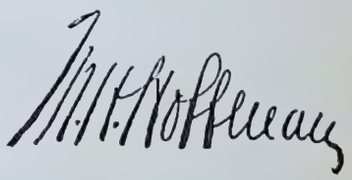
New methods made Tiffany what it is.

According to old prescribed methods a company would present you with a hundred page Year Book in many colors—it would at least spend the cost of a good negative and then cheapen production in order to make up the cost.

According to old prescribed methods a company would make the same empty promises regarding authors, stories, cost of production, directors and numerous other things — which promises would invariably not be kept.

And it is natural that the company making such promises would have to accept one of two evils — namely, either adhere as close to the promises as possible, which would result in poor pictures because the casts, the directors and authors may not fit eventually—or, as stated above, all promises would have to be broken in order to try and make some good pictures.

In order to make the progress that Tiffany has made and the greater progress it intends to and will make, Tiffany has pursued a more progressive, more efficient — a modern policy — of making no promises unless they can be kept, and making very few of those. The results of this policy speak for themselves, and to further establish the confidence of exhibitors and public, Tiffany will continue with that policy and will confine itself to facts—not imagination— —to proof —not promises.



*Vice-President.*

**Theatre Decoration**

**Greetings to Canada and our Heartiest Congratulations for her Celebration of the Diamond Jubilee of Confederation.**

**J. O. DOUGALL**

***Theatre Decorating Specialist***

**292 Borden St.—TRinity 3794—Toronto**

# Advertising and Exploitation

By R. H. COCHRANE

(Continued from Page 68)

learned, and in methods evolved, past the milestones that would probably tell the history of commercial advertising for the past half century. From a point less than twenty years ago when a manufacturer's ad need consist of little more than the statement that he was in business and the all-important fact that he had product available for the market we have reached a high degree of organization. I feel safe in saying that in numbers and quality of personnel the advertising departments of any one of a dozen or so companies will compare favorably with general advertising agencies handling the accounts of a score of manufacturers in different lines.

It is under the heading of "publicity" that the motion picture has probably reached its most individual development. While publicity work can be readily defined as "the dissemination of news" and the greater part of motion picture publicity is that and nothing more, it is probably nearer to the broader truth to define publicity work as the "dissemination of interesting reading matter."

In a dim and distant sense our publicity departments are an inheritance from the theatrical side of our parentage. But it is a far cry from the press representative of the theatrical days, with his one theatre and one play to publicize, to the present day motion picture organization with a score of plays and players to keep before the public eye and with its daily task of reaching every corner of the country and every size of community. Some figures may give an idea of the present magnitude. The Universal Pictures Corporation's payroll charges alone for publicity work in the New York Office and Los Angeles studio will average $3,500 a week. The cost of operation may be gauged from one item, the cost of photographs reproduced for newspapers and magazines throughout the country. The cost of these photographs alone will average six hundred dollars a week. This is the straight manufacturing cost—including no charge for photographer's time, nor the time of players and others while taking the pictures.

Efficient publicity work is, of course, an aid to advertising and selling of a product, and as such is conducted with a selfish, commercial end in view. No one will deny that. But in the early years of picture publicity there was an opinion in many circles of newspaper life, and still current in some, that the publicity man's sole justification for existence was in securing free space in newspaper columns and the consequent avoidance of the use of paid advertising copy. This is not true.

In addition to the commercial objectives of the people who are paying him, the motion picture publicity man serves a necessary and useful function. Almost overnight we have seen an Industry take a place in the hearts of a people yielding in importance only to their family interests. That Industry's appeal is entertainment—and the entertainment provided by individuals, personalities. The demand for news and information concerning that Industry, its products and its personalities, was bound to follow. In meeting the demand newspapers need the contact services of the motion picture publicity man. Do away with the publicity man and you will find the enterprising publisher with circulation and reader interest in mind sending correspondents to permanent duty at the studios just as they now send them thousands of miles to watch the training camp activities of a baseball team. Both sports and motion pictures become commercial activities when you reach the box office—but both have in addition that unanswerable weapon, reader interest.

In fact, the motion picture publicity man is a reporter working for the newspapers and magazines of the country. In operation, the publicity chief of a large company is a managing editor, with a staff of news gatherers, special writers, and photographers sufficiently large to get out a good sized paper.

We come to the third phase of our work of creating interest in our product—that of exploitation. The position of exploitation in the Industry is in a transitory stage, and a bit difficult of definition. You might get an idea of the background when I say that the first exploitation man was probably the man who devised the idea of having the circus parade before the performance. That was neither advertising as the copy-writing advertising man would define it, nor was it publicity in the sense that the publicity man is supposed to be confined to the printed word. So it is called exploitation. It brings cash customers to the box office, probably just as many as respond to the advertisement or the publicity story.

A few years ago the work of motion picture exploitation could well be understood after that reference to the circus parade. The exploitation man was a hale fellow who had the knack of burning up rivers and painting towns red, until everybody knew about his particular picture and the theatre at which it was playing.

Out of the job of that individual there grew up a definite service, an important branch of our work. Using the phrase of other manufacturing lines — exploitation is the job of helping the dealer move the goods off his shelves and into the hands of the customers. Its operation is two fold. In the field the task is that of helping the dealer—in our case the theatre owner—after the goods have been sold. For this purpose the leading companies maintain staffs of twenty or more men stationed throughout the country. In its broader aspects, as directed from New York, the work of exploitation is to create in advance the things that will eventually sell tickets of the theatre owner. If we were about to make a picture on gambling, for instance, with thrift as the moral, it would be the work of exploitation to arrange even in advance of the picture's making, for the co-operation of savings bank associations, possibly the clergy. When the picture eventually reached a small town in the mid-west the theatre owner would be apt to find that he already had the interest of his leading citizens aroused and their co-operation in his showing assured.

Now for a discussion of the actual job of advertising, publicizing, and exploiting the motion picture.

Fundamentally, as manufacturers, our job is the same as that of most other manufacturers—we must sell to dealers, and we must sell to the public.

After you have stated the task you have completed the points of comparison, for you immediately run afoul of a very big difference. Where the average manufacturer, in selling dealer and public, can start out with the knowledge that he will be selling the same article for years, with at worst only annual or seasonal changes for new styles or models—your picture man faces the task of advertising an entirely new product from twelve to fifty times a year.

Try as we all do, to sell trade-marks, organization ideals and organization prestige—and it is only natural that our efforts should meet with some success—in the end we have to advertise—each picture as an individual piece of merchandise. Today we will be advertising a picture with the melodramatic title, "Held By The Law,"—tomorrow it will be Victor Hugo's "Les Miserables." Today it may be the ultra-modern mystery type, "The Cat and the Canary;" tomorrow it will be "Uncle Tom's Cabin." Aside from the wide variance in appeal—consider another important difference exemplified by the two pictures last mentioned. In one, we have an investment of two hundred thousand dollars; in "Uncle Tom's Cabin" two million would be nearer the mark.

Each week there is a picture for which the advertising of it must be conceived, the work planned and executed with all the care and consideration that an advertising agency would give to laying out a campaign to run for an entire year. One week your factory or studio gives you a product that can be handled like Ford cars; the next week they are turning out Rolls-Royces.

Let us consider the "advertising, exploitation, and publicity" steps from the beginning.

They really begin with the selection of a story to make into pictures. That is primarily a production matter, but advertising thoughts come into play very quickly after it has been decided to make a certain picture. Is the title one that will have a broad appeal? Is it an indifferent title, with no meaning or appeal, or is it even a repulsive title?

It is what might be termined a weak title, and yet one that through publication or years of acquaintance has become so well known that it would be folly to change it? No one would consider changing the title, "Les Miserables," for example. Yet there are thousands of passers on the street who don't know what the words mean. There's an advertising problem.

The title on a picture is an advertising matter just as the carton design on a breakfast food is advertising.

Frequently it is possible to buy advertising value. Universal did not pay $75,000 for the motion picture rights to Edna Ferber's novel, "Show Boat" because it was exactly seventy-five times a better STORY than some plot purchased the same day for one thousand dollars. We were buying ready-make advertising value; buying with the knowledge that the public had already registered its liking for the novel in unmistakeable terms. Since the problem of advertising is to create interest we were merely paying a good share of our money in exchange for interest already created.

The play or story selected, the first department to come into operation is that of Publicity. From that day it is the Publicity's Department's function to create and maintain interest in the particular picture yet to be made. The very announcement of the story is news; the casting of the different parts is news; there may be interesting happenings dur-

(Continued on Page 96)

# F.B.O. Establishes Phenomenal Sales Record of Its History

By JOSEPH I. SCHNITZER

**JOSEPH I. SCHNITZER**
**Senior Vice-President F.B.O.**

AT THE CONCLUDING session of the tri-city F. B. O. convention, in Los Angeles this year, Joseph I. Schnitzer, senior vice-president in charge of distribution, congratulated the assembled sales forces on the remarkable showing they made during the past year. He announced that all sales records have been smashed and more product sold this past season than ever before in the history of the organization.

Mr. Schnitzer predicted that the 1927-28 season would bring a greater increase than any selling period in the history of the organization. He based this prediction on the line-up of productions scheduled for the year, some of which have already been started under the guidance of William Le Baron, vice-president in charge of production, who is now actively at the head of operations at the F. B. O. Studios.

Mr. Schnitzer stressed the importance of the acquisition of Mr. Le Baron at length, citing it as one more evidence of F. B. O.'s determination to improve the quality of its product to the utmost, building each picture around a definite selling idea with a maximum of entertainment value. Mr. Le Baron's long training as author, magazine editor, dramatist and production executive will be a particularly valuable asset in this direction, he pointed out, giving him unusual insight into story values and popular appeal.

This determination to elevate picture quality, backed up by the strongest resources in executive personnel, players, directors and story material which F. B. O. has ever had, plus the enthusiasm and efficiency of the sales force in the field, give him the utmost confidence in the company's prospects for this season.

Evidence of the soudness of this belief was already at hand, he announced, in the reports being received from the eastern branches, where the managers and salesmen, following the rousing sessions at the Atlantic City convention, had started the selling season off with enthusiastic vigor. The leading circuits and first run theatres in the east were being rapidly covered he said, and the list of circuits and key city bookings to whom the new season's product had already been sold were the greatest since the inception of the company.

General conditions, he said, point to a year of great growth by the company, he said, and with the pictures which the producing organization is geared to deliver to the sales force he feels that the selling organization will set a record of which to be proud.


***Mavety Film Delivery Service***

Extends congratulations to Canada. May her Jubilee - Confederation be the forerunner of a series of Jubilees celebrating Canada's Prosperity.

**58 Edward St. - Toronto, Ont.**
**Telephone Main 1881**

Greetings from

CRONK
J. B.

*One of the Pioneers*

***"Courtesy With Service"***

Happy is that organization which has built its prosperity on "Courtesy With Service," according to the spirit which has been bequeathed to Canada, by the Fathers of Confederation. We are travelling along the highway which they opened up for us; and join with our country in the Celebration of her Diamond Jubilee of Confederation.

THE COLEMAN ELECTRIC CO.
258 VICTORIA STREET, TORONTO, ONT.

# Columbia's "Perfect Thirty" Produced Thru Confederation

## The Unity of All Forces at Columbia Pictures Studio and Distributing Centres "The Perfect Reason"

**HARRY COHEN, Vice-President**

*Congratulations to Canada, may her Diamond Jubilee of Confederation strengthen her union and add to her power as a nation.*

*Columbia Pictures presentation of "The Perfect Thirty," as outlined in the following story is a convincing survey of the activities of the company and why "The Perfect Thirty" should satisfy perfectly. —Editor.*

COLUMBIA PICTURES Corporation, in presenting this announcement of The Perfect Thirty for the season 1927-28, earnestly desires to impress on the mind of every exhibitor its ability to make pictures on a par with any producer in the Industry. It prides itself on having as complete a production studio and as efficient an executive and sales organization as any company in the business.

During the past year, Columbia has succeeded in establishing a closer contact with exhibitors than ever before, both through its personally owned exchanges and through specially selected franchise holders who are pledged to give exhibitors 100 per cent service in each of their respective territories. Thus theatre owners are assured not only a high standard of production, but efficient distribution as well.

To the end of attaining the goal of the best possible screen entertainment, Columbia makes untiring efforts to secure the best fiction of great authors and the outstanding works of popular playwrights.

To direct these stories, Columbia selects men who have demonstrated their ability to make pictures that satisfy both the public and the box-office.

The Columbia Studio in Hollywood is a modern edifice, built along practical lines, and equipped with every known apparatus and device for the production of high class pictures — the best in screen craft.

The technical staff has been recruited from the ranks of those best experienced in each branch of the cinema art. Each member of this staff is a recognized expert in his or her specialty.

The studio art, designing, construction and decorating department boasts of men and women whose ability and ingenuity have been proved by their accomplishments. They have brought to the screen a degree of lavishness and sophistication that have lifted Columbia pictures out of the class of commercialized art and stamped them with the mark of true art instead.

The scenario department is a beehive of creative genius, wherein experienced and capable screen writers, trained in sensing the needs of the exhibitor, weave gripping romance, throbbing drama and mirthful comedy.

The casting department is conducted with a keen eye to box-office values. Each player — whether a featured star or an actor for a minor role — is weighed in the balance as to ability and popularity before he or she is chosen to appear in a Columbia production.

The department of production and direction is under the active personal supervision of Mr. Harry Cohn, a showman of high repute and unquestioned ability, who has produced innumerable profit-making attractions which have earned the approval of the public and the press.

The sales, administrative and finance departments, with headquarters in New York City, are under the guidance of Messrs. Joe Brandt and Jack Cohn, two veterans of the motion picture Industry. They have to their credit many box-office achievements and rank among the highest in advertising forcefulness and exploitation ability.

Messrs. Harry Cohn, Joe Brandt and Jack Cohn own their business, control it personally, live with it all the time. They have no other interests apart from it, and have ample finances. Thus exhibitors are assured beyond question that The Perfect Thirty for the season 1927-1928 will be a high-class dependable product with the utmost in box-office value.

Louis Rosenfeld is the Canadian general manager, being a Canadian and living in Canada, he needs no introduction. His long experience in distribution, the confidece he has won in this Industry, ideally fits him to present "The Perfect Thirty" to Canadian exhibitors.

**JOE BRANDT, President**

*Greetings and good wishes to Canada on her Sixtieth Birthday of Confederation. Now that she has been producing unity for sixty years, may her coming years produce "The Perfect Sixty."*

**JACK COHN, Treasurer**

*As one veteran to another land of veterans I send a message of great cheer. Good luck, Canada, and may you grow in luck, pluck you have, year by year.*

# Film Boards of Trade

By C. C. PETTIJOHN

FILM Boards of Trade are the field organization of the Motion Picture Industry.

All the way from Calgary where Hoot Gibson made a picture not long ago down to Havana, Cuba, Film Boards of Trade are in operation. Thirty-two Film Boards of Trade in the United States, six in Canada, one in Mexico, and one in Cuba, are busy working out the problems of distribution and exhibition of motion pictures through the exercise of the greatest of economic principles, "commonsense methods."

Four hundred and eighteen men compose the membership of the 32 Boards in the United States. Add 59 to the number for Canada, 10 for Mexico and 7 for Cuba and you have the total membership of 557, a right good number of branch managers to represent the national producing and distributing companies, the national distributors, and the State-rights distributors in handling the countless details of mutual interest arising from the daily job of motion pictures.

When anyone asks me why Film Boards of Trade, why Arbitration Boards, why Uniform Contracts, I go back five years for my answer. At that time, every distributing company had a contract different from the contract of every other distributing company. It was impossible for theatre owners to keep familiar with the terms and conditions of many of the contracts. There was unnecessary confusion, misunderstanding, and lost motion. Now we have the uniform exhibition contract, which has evolved from patient conferences between distributors, and exhibitors, a working, sound contract

We used to have countless disputes. We still do. But the difference now is that we have machinery set up and working to handle them without resorting to law courts with the necessary delays and costs, and bad feeling resulting.

Thirty-three joint Boards of Arbitration are functioning before which all disputes and misunderstandings growing out of any of the terms of the uniform exhibition contract may be quickly, economically, and pleasantly settled.

Each Board of Arbitration is composed of three exhibitors, appointed by the local Exhibitors' Association, and three distributors, appointed by the Film Board of Trade. In case of a tie vote a seventh arbitrator is elected by the Arbitration Board itself.

Law suits have been reduced to a minimum. Last year 12,566 trade disputes involving approximately $3,000,000 were kept out of court by the use of the arbitration clauses and thus the Industry was insured against the acrimony and ill will, all too often engendered by law suits, as well as against the cost of trials.

Out of the vast number of cases involved—and this is proof enough of the character, ability and integrity of the arbitrator—only 25 called for the seventh arbitrator. In other words, the original boards made 5,451 awards in 5,476 cases which actually reached the arbitration boards without being previously and amicably settled.

The opinion of the American Arbitration Association as reflected in the statement of Lee J. Eastman, chairman of the Trade Board of that society, is illuminating. Mr. Eastman says: "For the third year, the motion picture is setting an example to other organizations and to the business world generally, of the most inexpensive and speediest way in which to keep their business relations in an equitable and amicable basis. No other single trade organization approximates the volume of cases arbitrated by the Motion Picture Industry."

The Film Boards of Trade now devote themselves to their own business. They have their committees, each with its specified work. They bring more cordial relations to the Motion Picture Industry's inner forces, they are constantly at work raising the standards of business practices, protecting all parties to the contracts, and doing together all that is of mutual benefit. Committees on fire prevention, on public relations—an increasingly important work which these field workers are performing excellently—on free pictures for charitable institutions and public welfare generally are now operating.

Notable progress has been made by the Film Boards of Trade throughout the country along conversation lines. Safety to life and safety to property are fully provided for in the activities of the Safety Committee of the Film Boards of Trade.

These committees composed of members of the Film Boards rotate in such a way that all members serve at one time or another.

They inspect once each month each and every motion picture exchange in the United States and Canada. This is done scientifically and systematically.

The policy of the Film Board of Trade? Understanding. Everywhere men are coming to the realization that disputes can be amicably adjusted without dragging in outsiders. The distributor wants a pleased customer, the exhibitors want to deal with a satisfied wholesaler. Both realize that without the other he is helpless. Exhibition and distribution are inevitably linked together, each directly dependent upon the other.

The pride I feel in the Motion Picture Industry is based upon a decade's connection with it. And nothing gives me more pride in it than the consciousness of increasing spirit of professionalism that is coming—a sense through the rank and file of the Industry that this is a great institution, and that we are custodians of one of the greatest forces for good in the world.

We are in the entertainment business. That's a business of paramount consequence and importance to the world. We keep the world happy. Do that well and many of the world's ill are forgotten. What is more we have the chance to help the unfortunate of the world. The Film Boards of Trade are doing that.

Hundreds of institutions for the unfortunate shut-ins, helpless little children, old men, old women, prisoners, are getting motion picture service regularly. Many of them get pictures without cost; others at only costs of transportation. The value of this service cannot be estimated in dollars. Without added cost to our operation, it has been made possible in every State. The Motion Picture Industry, because of this service, is probably the greatest private charity provider in America.

# Theatre Management

By MARCUS LOEW

(Continued from Page 66)

everything else, somebody started it and you have to keep on doing it. When you find your patrons do not care about it, you stop it. Sometimes they go broke before they find out.

Q: Do you think that the saturation point in moving pictures and vaudeville entertainment has by any means been reached yet?

A: Just what do you mean by the saturation point?

Q: Assuming that people go to a theatre on an average of two times a week now, do you think five or ten years from now they will be going to the theatre three or four times a week?

A: Do you mean vaudeville and pictures or pictures alone?

Q: I mean vaudeville and pictures?

A: I would not say as to that because there is so much similarity to vaudeville that it has not got that same drawing capacity—I don't know what you might call it—to the theatre that the picture has.

In our New York theatre we changed our program every day only because it is the way we started. We have had that theatre in Herald Square and then we moved to the Broadway Theatre, and at least 40 per cent of the people who came there are coming there every day. Then we moved to the New York theatre and we have any number of them who come every day even when we do not change. When we run a picture two days I have seen them walk into the lobby, a dozen of them, and say, "Do we have to sit through that rotten picture again?" as though there were no other place they could go. That has happened. That is the remarkable hold it has on them. The manager was telling me that they get so well acquainted with each other that if one of them is missing they call him up to find out if he is sick.

Q: How do you choose pictures to buy?

A: We have men to select them.

Q: Do you see them beforehand?

A: About 75 per cent of them we see before buying. About 75 per cent of them we do not buy without seeing or buy them subject to screening.

Q: Do you go into the business of controlling theatres in Europe as well as in this country?

A: The theatres that we now have in Europe are those that were turned in by people who are associated with us in the exchange business, with one or two exceptions, and I do not feel that we are in the same position in Europe that we are over here. We are in a little different position over there. Frankly speaking, they are not very friendly, because America controls 90 per cent of the pictures and, as a result, it has taken a lot of business away from those countries. I do not mean picture business. I mean commercial business. There is a terrible anti-American feeling on account of it so far as pictures are concerned, and we do not want to do anything to cause that friction to grow. We keep away from it except where we go in to operate the theatres of these particular men who are interested with us. European theatres even want us to manage their theatres, as they admit we do it better.

Q: Has the amount of foreign business decreased recently on account of the anti-American feeling?

A: It is hard for me to tell you that. The best explanation I can give is that when I bought Metro our foreign department did a $285,000 net business. My son went in the next year and this year we will do about $12,000,000 gross. It was coming so fast that there was no way of telling whether it has hurt or not.

Q: Does radio hurt your business any?

A: Not at all. The only time radio hurts is when there is a big fight on or a big occasion where everybody stays home and listens in. That particular night we are hurt.

Q: Is the Vitaphone going to cut into the vaudeville business in the near future?

A: That is hard to say. I put that on a par with anything else that is new, and you cannot tell. Personally I do not think it is. If we were to send out stars in person, you would not be able to get near the theatre for blocks. The only thing is I do not hire the star when I send him around for personal appearance.

Q: What will they do with the Vitaphone in developing those pictures for foreign countries?

A: Will the actors be speaking English? All I can say to you is that it is a mighty good thing some of the actors do not speak.

Q: Do you think experience is essential before attempting to operate a theatre in a small town, say of 10,000?

A: Not if they have not got a theatre there. It depends entirely on what the other fellow may be doing. If you think you can do as well as he is doing, all right. But that is not always the case. He had had experience. It may not have been much, but it is something, and he can always beat you to the exchanges and everything else, and it is not a wise thing to do. The best thing is to try and buy in with the other fellow.

Q: In recent years you may have noticed that the use of music, especially organ music, and the attempt to get the audience singing, has been coming in. I have been wondering whether that was an advertising scheme on the part of the organ manufacturers or an attempt to provide entertainment.

A: I didn't get that.

Q: I went to a number of movies lately and there was from 15 minutes to half an hour of seeing a lot of words flashed on the screen and an attempt made to get the people to sing.

A: It is like everything else. When that was first done it was a novelty and everybody sang. Like everything else, they got tired and they are just leaving it on too long. That is just careless. If the audience doesn't sing, then they don't want it. At the beginning it was quite a novelty. Of course they injected a lot of comedy into it. There is nothing so unfunny as terrible comedy. I knew it from experience. I have tried to pull some comedy and it wasn't so funny.

Q: Will you explain to us how you could extend this huge chain of theatres?

A: In the beginning it was slower but at the time we started the profit was so

(Continued on Page 109)

J. C. BRADY
Manager Madison Theatre
President M.P.T.O.A. of Canada.

My Very Best Wishes to Canada for Jubilee, May she continue to be a nation of goodwill and prosperity.

Greetings, Congratulations and the best that life can give to Canada is my sincere wish.

CLAIRE HAGUE
General Manager
Canadian Universal

CANADA
and the
BRITISH EMPIRE
"United We Stand"
Hands Across the Sea—
In the celebration of
Canada's Diamond Jubilee
of Confederation.

J. M. FRANKLIN
Keith's, Ottawa.

# The Motion Picture Industry

By WILL HAYS

(Continued from Page 60)

The salaries of the actors, directors, camera men and assistants is about thirty-five per cent of the total cost of a production. This does not provide for the salaries of scenario writers, workmen, architects, designers and makers of costumes, carpenters, electricians and others.

Each dollar spent in production is divided, on an average, as follows:

| | |
|---|---|
| Actors' salaries | $ .25 |
| Directors, cameramen and assistants | .10 |
| Scenarios and stories | .10 |
| Sets (manufactured) | .19 |
| Studio overhead (including management, cutting, assembling and titling of the film) | .20 |
| Costumes, gowns, etc. | .03 |
| Locations (rent of grounds and properties and transportation) | .08 |
| Raw film | .05 |
| Total | $1.00 |

We have established in Hollywood an institution that I believe is unique in industry — a free casting bureau for extra people. In Hollywood and vicinity are produced approximately 98 per cent of all the pictures made in the United States and these companies employ through this bureau those actors and actresses who receive $15 a day or less.

Many of the actors and actresses are "free lances." Important ones are under contract. The extra people cannot be contracted for, because one day a company may need a thousand and for weeks thereafter may not need twenty-five.

The free casting bureau is operated by the producing companies and there are registered 18,000 persons who are qualified to work as extras for one reason or another. Some are qualified because they have a wooden leg, others because they possess a fine growth of whiskers, some because they look like Italians or Germans or French, some because they own dress suits and can wear them in a distinguished manner, some because they own horses and can ride them.

The casting director of a company decides how many extra people he will need for tomorrow and lists their qualifications. Perhaps he indicates certain individuals he wants. This list goes to the Central Casting Bureau, the proper persons are notified and they report the next morning. They are told what clothes to bring; if they are to work late they are warned to bring overcoats to keep warm, if they are to be in scenes in which they will get wet they are notified to bring a change of clothing.

The Casting Bureau registers now only those extra people who are actually needed. There is a much larger supply than demand for ordinary extra people in Hollywood. Children and pretty girls, for instance, are a drug on the market. The Industry wants new faces and talent always, but the question of the extra has been more or less of an economic and social problem.

A definite effort is being made to try to hold down registrations so that those who are capable may be able to make a fair living.

These extras work from day to day. Each day's work is a job. 259,259 jobs were given in the last year — an average daily placement of 710 at an average wage of $8.46. The total of wages for the year was $2,195,395.65.

The extras who work regularly manage to make about that earned by the average clerk or stenographer. Some have other means of livelihood and get a day off from their jobs now and then, to work in the movies.

Sixty-eight per cent of the placements last year were men, twenty-eight were women and the remainder were children. These figures are a blow to the beautiful girls who believe that Hollywood is longing for their art, and for mothers who think their children would add distinction to the movies. An average of only twelve children a day are employed through the Casting Bureau. These children are under the care of teachers assigned by the Los Angeles Board of Education and paid by the producers. No children may act in the movies unless they are well up in their school work. School hours are maintained in the studio.

After the pictures are finished duplicate prints are sent to the thirty to forty-five branches that the distributors maintain throughout the United States. Prints also go to branches in Canada and to foreign countries. Some companies make three negatives and one of these goes to Europe where duplicate prints are made.

To consider the selling of motion pictures intelligently you must understand that a basic difficulty in the sale of this commodity, wholesale and retail, is that nobody knows, before it is shown, just what a picture is worth. Its value is regulated by what it earns in each theatre and that figure is not known until after the sale is made.

A manufacturer of shoes can set a price on each model. Of course, the law of supply and demand has its effect, but this law in this case works in a rather leisurely manner. The law of supply and demand for a motion picture rides on a thunderbolt and usually leaps out of a clear sky.

A picture that costs half a million dollars to make may be actually worth a rental of five hundred dollars a week when shown in a certain theatre while a picture that costs one-fifth of that may be worth twice as much to the same theatre. If the public doesn't go to see a picture the price charged by the distributor was too much. If the theatre plays all day long to standing room only, probably the price was too low. This had led to many cases of "percentage booking" — whereby the theatre pays as rental a certain percentage of its receipts. This system has obvious difficulties, of checking and accounting. There are approximately 20,000 theatres in this country alone.

Your professors ask for "problems" to be studied by this class. Here is one. The greatest authorities on sales systems have worked upon it. Show us exactly how we can, in a practical manner, have an assured successful percentage booking system.

We have in the motion picture Industry a system of arbitration between buyer and seller which has been called "the outstanding example of commercial arbitration."

In three years our arbitration boards have disposed of 35,650 cases involving $7,374,661. Only 92 of these were litigated after submission to arbitration.

The American Arbitration Association in a statement on February 28 last by Lee J. Eastman, Chairman of their Trade Board, referred to their effort in this way:

"The report reveals that in this large Industry representing investments of a billion and a half dollars 12,566 trade disputes involving approximately $3,000,000 were kept out of court by the use of arbitration clauses in the organizations' contracts, thus insuring the Industry against the acrimony and ill-will often engendered by law suits.

"Motion pictures, although not a perishable product, are dependent for their success to a great extent, upon timeliness of presentation. The public wants to see a film immediately if it is ready for the screen. To delay the exhibition of a picture featuring a favorite screen star spells keen disappointment to millions of motion picture patrons throughout the country, and great financial loss to producer and exhibitor. Such delays would be the inevitable result of litigation in courts with overcrowded calendars but are avoided by the prompt and economical settlement of controversies by arbitration. Where years are likely to be consumed in litigation, only days are required to reach a settlement by arbitration.

"Thirty-three Arbitration Boards in leading cities throughout the United States decide business disputes between the buyers of motion pictures (the theatre owners) and the sellers (the motion picture distributors). These boards are made up of three men chosen by the distributors and three chosen by the recognized organization of theatre owners, or, failing the existence of such organization, by the President of the Chamber of Commerce or by the Mayor of the City. If the six men cannot come to a decision a seventh is chosen by the six or in New York City is designated by the American Arbitration Association.

"It is highly significant of the character, ability and integrity of the arbitrators, that in only 25 cases was a seventh arbitrator required. In other words, the original board of arbitrators experienced no difficulty in making 5,451 awards in 5,476 cases.

"The report shows further that of the 12,566 complaints filed, 5,018 involving $807,081.77 were settled before the date of hearing, and that 5,476 awards were made in cases involving $1,356,233.78. With this great calendar of cases only 71 were litigated after submission including the entry of judgments in court action upon awards, which means that the parties carried out the awards. Only one case was taken to court before submission to arbitration. One thousand and seven cases involving $300,959.98 were pending at the end of the year.

"During the year, arbitration extended to disputes arising between distributors and exhibitors in six Canadian cities, St. John, Montreal, Toronto, Winnipeg, Calgary and Vancouver. Arbitration boards in these cities handled 127 cases involving $87,424.26; 38 claims involving $21,061.48 were filled but were settled before a hearing; and 105 awards involving $78,875.48 weer made. Only two claims were litigated after submission.

"For the third year, the Motion Picture Industry is setting an example to other trade organizations and to the business world generally, of the most inexpensive and speediest way in which to keep their business relations on an equitable and amicable basis.

"Although no other single trade organization approximates the volume of cases

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# The Spice of the Programme

By EARLE HAMMONS

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If they can give some laughs they are real "gag" men. If they don't, they are so-called "gag" men. They start in and one situation will suggest something and that will lead to something else. It is very rarely when they begin making a comedy that they know more than the start and the finish. They will have the start and the finish but they do not know what is in between. That is why they cannot write good scenarios for comedies because the comedy has to be developed as it goes along.

There were something like 650 so-called features produced during 1926. During the same time there were 1,406 short subjects produced in this country. Add to that, the miscellaneous subjects we got from abroad and the product of the so-called independent producer, brings it up to a total of about 1,500 short features.

A short subject has great competition. You have heard of the great competition in the features, but there is great competition in the short subjects. We have to have an organization practically the same as the large feature comedies. We have 36 offices in the United States and Canada and have to pay the manager of one of our offices just as much as one of the large feature companies pay their managers. We have to pay just as much for our stock, just as much for cameramen, just as much for typists and bookkeepers and just as much for office rent. The only thing that does not cost as much is the amount per reel. We do not have to go out and spend $30,000, $40,000, $50,000 or $100,000 for a story. We do not have the highest-priced actors like some feature companies can afford to employ, although I assure you that the people we employ in the acting get more than enough money.

Some of them I think get too much. However, when their ideas become too exaggerated they have to pass on, because you can gross so much more on a feature picture. The amount you can gross on a two-reel comedy is limited.

The ordinary two-reel comedy will cost somewhere between $10,000 and $40,000 a picture. To make a profit on your investment you must gross at least three and one-half times and you should gross four times the cost. In other words, if a picture should cost $20,000 you should gross $80,000 in order to make a good profit.

When I first came into the Industry the short-reel pictures, with the exception of two companies that were making comedies; scenics and educational pictures, were commonly known as chasers, and they rightfully deserved that name. If a theatre had an audience and wanted to get another audience in they put on one of those chasers and it would get the first audience out. The reason those pictures were chasers was that some assistant cameraman would take a camera and 1,000 feet of film and go out and keep turning and turning. If he took ten feet you might be interested in seeing it, but you would not be interested in seeing 50 feet. Finally, we contrived to cut that down and really make interesting pictures. We would only "shoot" ten feet where it was required, instead of 50 feet.

Then our great problem was to try to make the theatre owner understand that these were no longer chasers, that he could run them and have the audience remain in their seats and many cases enjoy the picture. Finally, after years of study in making better pictures, we succeeded in doing so, so that now some of the bigger companies like Paramount-Famous-Lasky and Metro-Goldwyn-Mayer have found the short subjects of so much importance that they have determined to go into the releasing of short reels. Personally, I do think it is sound business for them to do it. But they think otherwise and only time will tell.

How are we going to meet such competition? Take a big organization that has a number of theatres. One of the principal theatre chains in the United States, known as the Publix Theatres, is affiliated with and owned by Paramount-Famous. Paramount-Famous are going into the releasing of short subjects. It is only natural that their theatre department will contract and book all of their short reels. Those theatres have been a source of large revenue for our company and we are confronted with a problem of how to retain that revenue. I think that will be comparatively hard but at the same time it can be done, and I say that first because of the fact that with the terrific amount of money they have invested in their theatres they will be compelled to have the best pictures in order to retain their audience and to gain a new clientele, which they must do, because the building of theatres is going on very rapidly and unless they get additional audience they are going to be in great trouble. Therefore, they will have to have the best pictures. The head of the theatre department in order to make his theatre successful will have to be given a free rein to purchase pictures, to book them as we term it, from whatever source can produce the best pictures. That is where we come in. We feel that our company has demonstrated during the last seven years that we have been able to produce the best pictures. I do not say that as my opinion alone, but it is borne out by the fact that over 15,000 theatres have agreed with that opinion by booking with us at prices in excess of what they ordinarily have to pay for short subjects. They at least believe that the pictures put out by our company are the best. Therefore, the big theatre chains will have to have our pictures even though they have their own.

Why do I say that our pictures are the best? Of course it is the natural thing to say. But I attribute the excellence of our product to the fact that we specialize in those particular pictures. We do not believe that anyone with whom short reels are a side issue, can do as well as one whose entire product is short subjects. We specialize. No automobile manufacturer could make a bearing as good as the Timken bearing because the manufacturers of the Timken bearing specialize in making that particular bearing. Therefore, we ought to and we do make better pictures than someone who attempts it as a side line. Another thing that is most important is talent. In my observation in the last seven or eight years, since we have become a national company, talent is very, very important. I find that you can practically count on your fingers the men who are capable of making salable two-reel comedies.

One of our problems, and I know you gentlemen make a specialty of solving problems, is one I have never been able to answer. I am speaking of 90 per cent of the theatres of the country, 80 per cent anyway. You go down to one of your local theatres and all you will probably see outside is an advertisement of a particular feature film, and they ask you to pay 25, 35 or 50 cents to go into that theatre. When you get into that theatre you will find that you have probably a good orchestra, a feature, a news reel and a comedy to make up your entertainment. The thing that I cannot understand is why that theatre in trying to get your 50 cents, instead of saying, "We have this one article; come in and pay 50 cents," does not say, "We have five articles"—listing them. If you go into a restaurant to get a table d'hote dinner the waiter isn't going to hand you a menu that has roast beef alone on it and then bring you the balance of the dinner. He is going to tell you what he has.

In looking at the ads of the steamship companies in the paper this morning I find an advertisement of a trip to Quebec for $165. That isn't all it says, just "Quebec on one of steamers and back, $165," and try to get your $165; no; they tell you, "Glorious days at sea on the beautiful St. Lawrence, music, dancing, deck games, magnificent scenery, transportation of passengers and baggage to hotel at all ports, three days at Quebec, and so on." By doing that they have much more chance of getting your $165 and up, if they tell you all these things than if they sent you an article on Quebec. Supposing nothing else appeared in this advertisement but the word Quebec, we would all think a long time before we went.

The theatre owner is not taking advantage of everything that he is giving his audience. Hundreds and hundreds of times you pick up a paper where a reviewer is reviewing a theatre's entertainment and you will find no reference to the short reel or the comedy.

Another thing I cannot understand and have not been able to solve, is this: While in France a few years ago I bought a picture, a beautiful hand-colored picture entitled "The Voice of the Nightingale," a picture that took 18 months to make. It is to my mind one of the most beautiful pictures I ever looked at. I have never known anyone to look at that picture and fail to agree that it was one of the most beautiful things. It gave a good thought; it gave a good feeling and it pointed a moral. It took the Riesenfeld prize for the best short picture released in 1925. Well, some of the theatres would not book that picture. We could not sell it; they would not take it.

The following year, 1926, we were again awarded the Riesenfeld gold medal for the best short subject of the year, and that was taken on "The Vision," a most beautiful picture. It played down in the slums and received terriffc applause, and has met with great success with every audience. If I were able to show it to you gentlemen this minute I am sure you would enjoy it. Yet the theatres will not take it. What is the answer? I have not been able to find out except that a great many theatre managers do not represent their audience. They want to hear them laugh or they want to hear them cry, and if they do neither they think they are not entertained. I would like you gentlemen to try to give me the answer to that problem, because it will help me a great deal.

On the first picture that I mentioned, "The Voice of the Nightingale," think

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# Distribution

By SYDNEY R. KENT

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dicating on chart). In this department we carry on very extensive work on bonus plans and employees' savings, have a system whereby every dollar deposited up to a certain percentage of salary earns so much. If an employee puts in $1,000 during the course of a year— and they cannot pay in more than 10 per cent of their total earnings—to each dollar that they pay in we add 25 cents, so that they get a 25 per cent dividend yearly on their savings based on a maximum of 10 per cent of their salary. That dividend is paid to them at the end of each five-year period or invested for them by the officers of the company. All of the employees are covered by life insurance. The life insurance is tied in with their sales record. Every man is given a policy for $1,000 when has has been in the employ of the company six months and, based upon certain sales results, he can have that increased to $5,000 over a period of years if his performance is up to a certain standard. Then we have sick benefits through which we take care of the sick and disabled.

Here we have the Short Feature Department (indicating on chart), which has its production manager. This department is engaged in creating Paramount News and novelties, and the sales manager who handles that has a special asignment.

Then there is the foreign department with their foreign offices. The line-up of that I gave on a previous chart.

That is the make-up of an up-to-date modern motion picture distributing organization. I will not say that they all go into the plan as comprehensively as this but if they don't I think they will in time.

This chart breaks down the sales division managers that I spoke to you about. Here is division No. 1 with 44 salesmen, 15 branches and four districts, with four district managers. Here is division No. 2, with four district managers, 50 salesmen, 12 managers. It is the same for division No. 3.

When a motion picture is sent out it is given a per theatre quota. We have the country divided into about 250 zones. Those zones are geographically located so as to take care of the proper number of customers within that zone with the least amount of travel and with the idea of 100 per cent service in mind, as nearly as it can be carried out.

Each of those theatres is assigned a specific quota. The total number of theatres in that zone make up the zone quota, and if there are four zones in that branch office those four zones make up the branch quota on that one picture, or on 15 or 20 pictures, or on 75, as the case may be. When those quotas are set they must be approved by the sales manager in the zone. He can raise those quotas or lower them to a point, but once he has gone on record that that is the price he can get that is his responsibility, and it is fixed and he cannot send in a contract for less than that amount of money unless he first receives the permission of his division manager.

This chart (indicating chart) breaks down the thought that I gave you of how we arrive at a national quota on a motion picture. I want to give you on this point a few of the things in which our business differs from that of other industries because I think you will prob-

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# The Motion Picture Industry

By WILL HAYS

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arbitrated by the Motion Picture Industry, yet arbitration is making rapid progress in some 128 industries, including all branches of trade handling every commodity in use in the United States."

That is an official statement from very high arbitration authorities.

These cases have a wide range. They include claims for damages made by exhibitors whose film did not arrive on time, claims of distributors for film contracted for and not played, damages sustained by theatre owners because the shippers sent the wrong pictures, etc. Most of them are small. The average for three years is $207 per claim. The arbitration system provides quick justice in thousands of cases that never would go to court but which would remain as a constant source of irritation between buyer and seller. It is a constant builder of good will and an enormous saver of time and money.

This activity is sponsored by the Motion Picture Producers and Distributors of America, Inc. You, as students of business, should know of this body, which is unique among trade associations.

Those who make and circulate motion pictures united five years ago and this association was chartered on March 5th, 1922. Their purposes — I quote you from our articles of incorporation:

> "Establishing and maintaining the highest possible moral and artistic standards of motion picture production, and developing the educational as well as the entertainment value and the general usefulness of the motion picture."

That is no vague gentlemen's agreement; it is the legal statement of a legal purpose by a legally organized body, and I submit to you that no purposes could be of more importance or more worthy of the encouragement and actual support of all well-wishers for better things.

Our organization, the Motion Pictures Producers and Distributors of America, with the purposes I have just quoted, was formed with nine member companies. It has grown constantly since then until today it comprises the twenty-three most important corporations which produce and distribute pictures. It has had a sound, healthy growth. The companies which form our ranks are just as keenly competitive as ever in their quest for material from which to make their photoplays, for actors and actresses to perform in them, for the quality of their product, and in their efforts to sell that product to the theatre owners when it is finished. But they are absolutely united in their efforts to carry out their declared purposes and to make the motion picture what it should be in the fabric of society.

To recite the activities of the period would require the time of their accomplishment, but I want to tell you some of our efforts.

Our first move was to attempt to make sure of the improvement of the wholesomeness of our entertainment. The motion picture theatre is a community meeting-house. There gather the families — fathers, mothers and children. Motion picture success is based entirely upon its ability to please the entire family and the success that has come to the Industry, the real affection with which it is regarded by the millions, is genuine proof that we are succeeding in that effort.

There has become rather prevalent, a certain type of book and a certain type of play that deals in theme and situation with certain topics which in previous years were discussed only in whispers.

Many persons have asked, "Why haven't we seen these in the movies?"

We were determined that this prevalent type of book and play should not become the prevalent type of motion picture and to prevent this set up "The Formula."

"The Formula" is this:

When any member company is offered the screen rights to a book or play of a probably questionable nature, representatives immediately inform the offices of our Association, representing about 85 per cent of the producing elements. If the judgment of the member company to the effect that the picturization of the subject matter is inadvisable is confirmed, a notice is sent to all the other member companies, giving the name of the objectionable book or play. Such company members thus having their attention directed to the subject in question, have the opportunity of avoiding the picturization of the novel or play.

More than 150 books and plays, including some of the best sellers and stage successes have thus been kept from the screen.

Our method, which is of course thoroughly legal and which has proved efficient, is not censorship in any sense of the word. No censorship could have brought about the results which have been attained. At the same time our formula does not by any possible interpretation limit the production of vital or artistic pictures. Any method which did that would fail absolutely. Some pictures have been made which might very well have been omitted. A few have been made which should not have been made at all. But the standard of the whole is very definitely advancing. Not so long ago we had one fine picture a year. Now scarcely a week goes by without the showing of some really great picture. We have had literally hundreds of wholesome, interesting photoplays that well served their purpose of entertainment.

We have established an "Open Door" policy through which we invite the public to help us with our problems. The public has responded. Important representatives of all religions have helped us, before production, to make sure that pictures having religious themes were properly and accurately presented. Organized groups have given substantial aid in making a financial success of fine pictures that would otherwise have been financial failures. This support has encouraged producers to invest further in other worthy productions.

The great picture, "Abraham Lincoln," for instance, started out as a failure. We called upon the public, through a number of national organizations, to help us save "Abraham Lincoln." We knew that if this picture failed, it would deter producers from risking large investments upon similar pictures. The public rallied to the support of "Abraham Lincoln." All over the United States organizations responded with something more than handsome resolutions and hearty cheers. They went right down to the theatre and paid to see the picture. They liked it and told their friends to go. This hap-

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# Advertising and Exploitation

By R. H. COCHRANE

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ing the making of the picture that constitutes news. By means of weekly news bulletins to the papers, lengthier special stories when the information warrants it, and almost a literal deluge of interesting photographs, this work is done.

On pictures of lesser importance due to reach the market quickly this work may be largely of a routine character. But then there are cases such as our "Uncle Tom's Cabin," on which we have been working for over a year and a half. In that time the public has become vastly interested in the dilemma we had finding the ideal Uncle Tom; it found catchy reading in the story of our discovery of an old Mississippi river boat and the transportation of an entire company from Los Angeles for the necessary river scenes; letters we have received showed nation-wide interest in our task of selecting the little tot to play Eva.

This is creating advance interest. At this stage, also, the exploitation department can be at work though its work may not be evident until the picture reaches theatres months from now. Paid advertising, either direct mail or publication space, is rarely employed in the advance stages. For one reason, we like to see the product on the screen before we put our signature to statements about it. For another, it is not the best advertising practice to advertise a product months before either the dealer or the consumer could possibly buy it.

It is the exception that makes business history. Many years ago Universal was forced, in a measure, to write an exceptional page. We were engaged in the production of a picture known as "Foolish Wives." The director was a temperamental, erratic genius, autocratic in the control of the picture's making. We had not proceeded far with the production before we saw that the cost was going to reach heights unheard of then in the picture field. Frankly, in a day when three hundred thousand for a single picture was a lot of money, we saw a cool, hard, actual million dollars going into "Foolish Wives."

It wasn't sound business sense to wait until the million was gone and then lay plans to get it back with a profit. We had to start early, and couldn't start too early. The Publicity Department's function was handicapped because "Foolish Wives" was an original story written by the director, and in such cases it is not possible to maintain the news interest that is found in the production of a well known vehicle, such as "Uncle Tom's Cabin," and "Show Boat." We couldn't use the ordinary advertising methods on a picture that was far from completion, and the story of which we wouldn't be certain until the director had asembled it to his own satisfaction.

We probably did the only thing that could be done. It is a principle occasionally heard with a laugh in other advertising fields. We capitalized our weakness. We let it be known to all and sundry, to the world in general by every possible channel—that Universal had the bull by the tail and couldn't let go; that we had close to a million dollars in a picture and didn't know when the outlay would stop; that while the phrase a "million dollar picture" was a hackneyed industry slogan, here was a picture actually costing a million dollars—and, how it hurt; For month before the picture was completed electric signs on Broadway blazoned the fact that here was a real million dollar picture at last. We could advertise that much truthfully—and we did.

As it turned out, "Foolish Wives" had box office and entertainment value when completed. But only the freak advance campaign put it in a position for us to get our terrific investment out at that period of motion picture history.

On the completion of the picture, and following its viewing by the New York office, the three departments of advertising, publicity, and exploitation combine first on the preparation of what is known in the Industry as the "Press Book" or "Campaign Book." This constitutes a complete and encyclopedic guide to the local theatre owner in selling the picture to his public. In effect, it places in the employ of the smallest theatre owner in the country the services of the best possible advertising, publicity and exploitation brains that we have been able to secure.

There are publicity stories, of all possibly usable sizes, and on every angle of appeal to which the picture lends itself, which the manager may take to his local newspaper after filling in the name of his theatre. There are suggested advertisements from one inch single column, up to page sizes on the more important pictures that are ready for use with the insertion of his theatre name. The exploitation department supplies a variety of ideas aimed at providing something that the village theatre can utilize as well as ideas for the biggest city theatre.

The theatre owner may secure matrices or cuts for the illustrations to be used for publicity stories or advertisements to be used for publicity stories or advertisements at the branch office of the firm from which he secured the picture. In addition the Press Book also lists and shows such aids prepared for his use as lithographs, colored photographs for his lobby, cards for use in store windows, and the colored throwaway circulars that we call "heralds."

These advertising accessories for local use are provided for the theatre owner at a price calculated to cover the actual cost plus the expense of handling.

Simultaneously with the preparation of the Press Book the Advertising Department has had to unlimber its forces on the task of positive advertising selling. There are a half dozen or so of trade publications reaching the motion picture theatre owner and these are used in proportion to their circulation efficiency. The amount expended will run from an average of fifteen hundred dollars on what might be termed the ordinary run of pictures, to five thousand and away beyond in exceptional cases. Figures and averages are dangerous in discussing motion picture advertising because we must strike while the iron is hot. If a picture strikes the public fancy we must "heavy pressure" it to get every possible dollar of return. If it fails to register with the public—no amount of advertising will change the verdict.

With the showing of the picture in the first big cities the Exploitation Department gets into action. Obviously, of course, its work is the selling of the picture to the public in these cities. But secondarily, and importantly, its task is to show the theatre managers throughout the country by actual demonstration that

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# The Motion Picture Industry

By WILL HAYS

(Continued from Page 95)

pened in five thousand cities and towns and "Abraham Lincoln" was turned from a failure into a success.

We have helped to develop religious pictures for showing in churches. After several years of intensive work with great educators members of this association are preparing teaching films for use in class rooms. This method of education will have an enormous effect for good upon the teaching methods of schools and colleges.

We are showing pictures upon ships to immigrants as they are brought here from foreign countries. These films give them a concrete idea of the country to which they are coming and outline ways and means by which they can become good citizens and make a good living. We have given films to leper colonies in the Canal Zone and in the Philippines. We have sent pictures to Eskimos in Alaska to teach them about the United States. We furnished entertainment to thousands of "shut-ins" in prisons, hospitals, orphanages and homes.

We have co-operated with the American College of Surgeons and pictures will be made for use in preventative and remedial medicine, pictures of surgical operations, performed by the masters, in color, in slow motion, magnified so that the details of the most intricate operations can be studied by surgeons in all parts of the world over and over again until they are able to duplicate the work of the masters.

Of our arbitration system, of our free casting bureau, I have told you . . . Labor conditions in the studios are splendid, of course.

We co-operate with the governments of all nations, that our pictures may correctly portray the habits and customs of every country to the citizens of every other country.

Hollywood has become an international enterprise. The motion picture challenges the best in science, and art, literature and business, in religion and humanities. It is drawing from every corner of the world the greatest artists and artisans to aid in its service to the world. American films may predominate in every country in the world, but every country is contributing to them.

Great numbers of those in key creative positions are direct from supreme accomplishment in other countries.

A recent survey of important actors, directors and cameramen in Hollywood showed that 60 were Englishmen, 26 were Canadians, 23 were Germans, 16 were Russians, 12 were French, 10 were Austrians 11 were Swedes, 7 were Italians, 6 were Hungarians, 4 were Japanese, 3 were Mexicans, 3 were Danes, and others came from India, Argentine, China, Roumania, Brazil, Poland, Czecho-Slovakia, Serbia, Ireland, Switzerland and Turkey.

The artists who heretofore have been able to reach thousands can now with this new medium reach millions. The extension of possible service commands them.

Now let us go one step further — beyond the field of entertainment, beyond the field even of education — and regard for one moment what I personally believe may be the greatest potentiality for good possessed by the motion picture.

It may be the greatest instrument for bringing about better understandings be-

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# The Art of Screen Acting

By MILTON SILLS

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These actors receive from $500 to $1,500 per week. For at least two-thirds of them 35 to 40 weeks may be regarded as constituting a very good year. They are not under contract, and time between pictures is lost. They form the respectable bourgeoisie of the motion picture community. Most of them own modest homes, and drive their own cars. They save money and make investments. A large proportion of them are married and have families, and live the lives of normal, middle-class citizens.

The aristocracy of the profession consists of the "featured" artists, the stars, and the actor-producers. There are some 100 featured players under contract whose salaries average $500 per week. The range, however, lies between $200 per week and $3,000 in exceptional cases. Contracts are usually for forty weeks out of the fifty-two, but in some cases, are for the full year.

Included in the 300 first-class actors mentioned before, there are some "featured" players, not under contract with a similar range in salary. These are called free-lance actors. The free-lances play in as many pictures as they can. The contract "featured" players average five pictures a year. The "featured" player is distinguished from the star, technically in having his name billed after the title of the picture and in smaller type, prefixed by the invidious adjective "with." The name of the star is regarded as needing no adjective and precedes the picture's title in letters as large or larger. This denotes that the featured player's past performances have endeared him to the public to such an extent that his name pulls money into the box office, but not quite hard enough. As a matter of fact, he is the stablest commodity in the business, and now-a-days, when the public is beginnnig to go to see stories as well as stars, his importance is very great. Vehicles do not have to be found for him; he fits the vehicles. Most of these "featured" players make themselves economically independent in the few years of their heyday. They have pleasant homes and cars, some of them yachts and polo ponies, and they are regarded as good risks by the banks and life insurance companies. Most of them are leading men and leading women, but there are also prominent juvenile actors, character actors, old men and women, and so-called "heavy" men and women in the group.

The number of first-class stars is 70 or thereabouts, two or three not under contract at present, 17 of these are actor-producers. Some 50 others are under contract. Of these, the percentage who receive a share in the profits of their pictures is negligible. The amounts of their salaries are not available — they are jealously regarded secrets — but from what I can gather they range from $2,000 per week to $15,000. The average would be $4,000 to $5,000. Most contract stars are limited to making four pictures a year. A greater number would incur the danger of surfeiting the public. After all, the public has its limits of endurance. Faces can become stale. While they do not share in the profits of their pictures, most of these stars have something to say regarding the choice of stories and directors, and they have a lively interest in eliminating waste and lowering the cost of production in that they realize that if their pictures are too high-priced, the exhibitor refuses to buy them. Having reached a distinguished place in their profession, they are greatly preoccupied in maintaining it. Behind them lie an arduous training, a wealth of experience, the acquisition of a difficult technique, the development and building of a personality, and an asset of "goodwill," usually summed up in the term of "a name." To insure a future for this name, they must keep up a certain standard. The chief variable that figures in their calculations is their story material. While most of the production companies sell their star pictures before they are made, in groups of four on the basis of the star's box office value, the theatre owner contracting for the crop in advance, nevertheless a drop in the quality of story will register in a drop in the star's value the following year. The greatest problem the Industry faces is the dearth of good story material, and this constitutes likewise the star's greatest worry. We are still in a phase of this business when we must draw our materials largely from books and plays. We are all looking forward to the time when more screen stories are fashioned directly for the screen by a new type of literary worker. Our universities may help in creating this new type.

Obviously, the members of this class own their own homes, and cars, keep servants, make investments, and for the most part, safeguard their futures. Together with the high-class "featured" players, they do a large amount of advertising, business entertaining, maintain secretarial staffs for the handling of their mail and business affairs, and engage business managers to look after their various interests. They are employers as well as employees.

The next class — the actor-producer — is no longer an employee, he is an employer. There are 17 actor-producers, men and women, producing film dramas and comedies. These combine the roles of actors and big business men at the same time. They have large staffs, own or rent studios, have sales organizations, borrow money from banks to finance production, buy their own stories, in short, while being the central attractions in their pictures, engage in all the various activities of a big producer. Usually, they make one or two pictures a year. Their reputations require that these pictures be exceptional efforts. Nothing can be left to chance. Failure must be impossible. They own their product and all its profits are theirs. Some of them have acquired great wealth. All of them have attained their positions by ability plus the hardest kind of work.

The principal asset of the star in general is "good will," the power of his name to draw people into the theatre. This asset has been built up by past performances and is sustained by a formidable machinery of publicity.

This brief review suggests that altogether the actors who carry the screen stories occupy a very comfortable financial position. They enjoy a considerable measure of security and dignity. As property owners, taxpayers, voting citizens interested in local and civic affairs, they hold a settled place in the community. Human nature being the same everywhere, sudden wealth has turned the heads of a few, but the great bulk of them are steady, careful-living and industrious.

What was the status of the actor fifteen years ago? For it is only in the last 15 years that his importance has developed with the development of the Industry. Fifteen years ago, the legitimate actor's life was almost as precarious as that of the present day "movie extra." Except in the case of a few stars, the stage was not a business, it was a gamble with the dice loaded against him. Leading players, if they averaged $5,000 a year, were exceedingly fortunate. Most of them lived from hand to mouth, consuming during the summer months their savings of the previous season or borrowing against the following one. They had no homes, no cars, no security, and little comfort. Their economic status was more depressing than that of the average university instructor without its compensations. At the same time, the legitimate stage boasted a certain prestige, and its players scorned the upstart motion picture as an undignified and despicable form of activity. Few would stoop to the degradation of the film. The actor lost caste when he entered the studio, and he entered it furtively, with a sense of shame. Then things began to change. A few well-known actors tried their hand at it. Performances in the pictures of D. W. Griffith began to prove to the legitimate actor that there was a medium of expression as subtle, poigant and beautiful as that of their own beloved theatre, and the great exodus to Hollywood started. Foreign artists, like Bernhardt and Tree, and great opera singers like Caruso and Farrar, took fliers in the films, and one by one every important stage luminary followed suit. Those whom the screen accepted remained on the screen, and to their number have been added innumerable recruits developed by the studios themselves. Today there is hardly an actor in New York who does not envy the lot of his Hollywood cousins and long for an opportunity in the promised land beyond the Sierras. Not only do these film parvenues receive incredible emcluments, but their personalities have become world figures known and loved, not by the few thousands of our big cities, the affluent minority who can afford to patronize the theatre, but to the millions of rich and poor alike wherever civilization has penetrated from Iceland to Fiji.

During the brief period of its existence, the film has developed a special technique of acting and novel conditions of performance. At its inception, actors were paid from the day they started work on their picture and that custom has persisted until the present time. Cost of production precluded the elaborate rehearsals customary on the stage. Moreover, the physical limitations of the camera and the laboratory rendered impossible the filming of long scenes. The maximum duration of a scene today, without special laboratory provision is 200 feet or 200 seconds, three minutes and twenty seconds. In actual practice, most scenes are very much shorter than this. Far from being a hindrance, this limitation proved desirable. It was found that by telling the story in flashes, flitting from spot to spot in the field of action, eliminating irrelevancies, isolating and emphasizing the significant moment, the film could do what the eye does naturally; namely, select and focus on the quintessential drama. The eye of the spectator did not have to seek the cen-

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# Advertising and Exploitation

By R. H. COCHRANE

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the public will respond to the picture, and also the methods to use in getting that response. As to the means used by an Exploitation man I can best answer by telling you—the sky is the limit. If he can induce the mayor of the city to attend the first performance and consequently secure newspaper space, that is good exploitation. If he can prevail on the police department to hold a parade to the front door of his theatre because the picture's hero is a policeman—that is exploitation. If he aranges a special performance for the school teachers of the city because the subject is taken from literature—that is exploitation. He uses advertising and publicity—and then as much else as he can think of or get.

That completes the cycle of bringing the picture from the manuscript to the public. I may be asked how long is the advertising life of a picture. Here again I must recall that we strike while the iron is hot and add—we keep on striking as long as it is hot. Three months may be termed the period of high life for an average picture in the sense of advertising it; six months activity is worth while on many. But when you get a "Covered Wagon" or a "Hunchback of Notre Dame" you can keep right on in the belief that you won't stop until everybody in the country has seen it. Then you'll only hide it for a year or two until they get anxious to see it again.

A word about reaching the public with motion picture advertising—direct to the consumer advertising it would be termed by other manufacturers. We have seen that the Publicity Department is at work early and late reaching he public through the means of news. We have seen that the theatre man is supplied with advertisements for his use in reaching the public. And we have seen the peculiar ways of the exploitation man.

What about the manufacturer's paid advertising direct to the public?

First, the matter of daily newspapers. Of course, during the year all the leading producers spend considerable money with daily newspapers in connection with their own showings of pictures in the bigger cities. But when it comes to the question of daily newspapers advertising as used in other fields to aid the dealer we have been blocked by marketing conditions. The motion picture is not a product that will be on the dealer's shelves available to the customer at any time he may choose to buy; nor is it a product sold to the dealer for a stated, standard price. Our first problem, therefore, is timing the advertisements so that this local advertising is of value to any great number of our theatre owners. Obviously, to be of value to the biggest customer, the leading theatre, it must be placed simultaneously or previous to his showing of the picture. But that means it will have appeared weeks, perhaps even months, before the picture will reach the great bulk of our customers. That isn't good advertising.

Supposing we time the ad only with consideration for the biggest customer. Here we have a theatre man who prefers to do his own advertising, who does considerable of it. We have a product not sold at a standard price. It is only natural that this customer would consider the amount of money spent by us in advertising is directly taken from him in the rental price he is paying—at any rate, he would prefer to have us take the amount off his rental and allow him to spend his own money in his own way on advertising.

When you leave the question of daily newspapers advertising by picture producers in this unsatisfactory state and come to the matter of direct to the patron advertising by national magazines you will receive as many opinions probably as there are picture men to interview.

We have first, of course, the problem again of timing our ads with the availability of the product to the reader. Obviously we are not able to do the hammer and tong direct sort of advertising that would sell the reader into a feverish desire to rush around the corner to view a certain picture. When he got there the theatre might be showing an entirely different picture.

The alternative is the sort of advertising that lays stress on the institutional, while creating a general interest in the product This means "long haul" advertising — advertising that once started must be kept up, consistently, in season and out of season. You cannot sell an institution by sporadic outbursts.

It is for this reason that only two companies can feel any real success in their national magazine advertising. Paramount, in its initial copy was satisfied to sell the idea of motion pictures as motion picture, with the selling of a Paramount name in great degree a secondary thought. Keeping at it consistently, the campaign may be said to have borne fruit, and now be accounted a factor in selling Paramount as Paramount.

Universal, starting its national magazine advertising some five years ago, by the adoption of a unique style of copy, a personal chatty appeal, signed by Carl Laemmle, President of the Company, an informative, **newsy** angle, has perhaps gone further in selling the product—pictures and players—in addition to the institution. The "Watch This Column" talks in the Saturday Evening Post are ads, it is true, but also they constitute a photoplay **news** column in the publication, and your true motion picture follower is an eager searcher for news and more news about the players in whom he is interested.

In our five years of these ads we have accumulated a mailing list of many thousands of names of interested readers who receive frequent direct by mail bulletins of our activities. The volume of weekly mail is large enough to show that we are reaching our market.

A word about "truth" in motion picture advertising and publicity. In the matter of advertising, it did not take the Industry long to learn that the truth pays. You won't find the truth actually violated in motion picture advertising to the dealer or to the public. And at the same time you may not agree with an ad after you have seen the picture. This is because we deal in an intangible product, with an appeal as varied as the number of persons you may find in an audience. The picture advertised as one of "the greatest heart dramas ever made" may not appeal to your heart at all. But at the same time there will be many in the audience who would go further than the advertising writer and proclaim it "the greatest." Where is the picture advertising man to find the lines of demarcation between truth and exaggeration and opinion. He can only take the point of greatest appeal about a picture as it strikes him, and do his best to sell all readers he feels will be affected by that type of appeal.

There was a time when our skirts were probably not so clean in the matter of truthful publicity. As an inheritance from the theatrical days we had the conception of a publicity man as one who stole newspaper space by hook or crook —and the more clever if by crook. Here I want to pay a word of tribute to the work of Mr. Will Hays in this regard. The Industry has long since cleaned house, there is no room for the faking type of press agent, creating news out of whole cloth, and laughing at editors who fall for his dreams. There is a feeling of confidence on the part of newspaper editors in all sections in the word of a publicity man representing any of the Industry's leading companies. Such authorities as Kent Cooper of the Associated Press have within recent months paid high tribute to the Industry and to Mr. Hays for our standards and practice in this respect.

Now in conclusion, a word about hokum. That's a perfectly good word, admitted to good standing in the best dictionaries. Do you know what it is? Well, the Funk & Wagnalls dictionary describes it as "a word, act, business or property used by an actor to win an audience." The aim of every advertisement, whether of pictures or anything else, is to win an audience. So it is legitimate to use hokum in advertising, because to win an audience for picture you've got to reach its heart. And hokum is nothing in the world but heart interest. The fire engine dashing down the street is good hokum for the people who love that sort of thrill. On the other hand the classics are good hokum. for the so-called high brow. Pick out the feature of your picture which you think will interest the greatest number of people. Then hammer away at it and keep hammering away until you have driven it home. Let's call that feature the ball. Well, to use a bromide, just keep your eye on the ball and follow through!

There may be a great many Murphys in the British Empire, but only one BARNEY MURPHY in F.B.O. Pictures Corp., and this Murphy joins the other Britishers in congratulating Canada on her Diamond Jubilee.

# Vocafilm Officers and Executives

Right—W. Harry Williams and Dave Hochreich read welcome answer from Congressman James Francis Burke, accepting R. F. Woodhull's invitation to speak at the M.P.T.O.A. Convention, which was held in June, 1927.

They sign on the dotted line. Ciccolini, the celebrated tenor of the Chicago Grand Opera Company (extreme left), and Yasha Bunchuk, world-famous 'cellist (extreme right), sign their contracts to perform for the Vocafilm Corporation of America. In the centre of the group is David Hochreich, president of the company, and standing, left to right, are W. Harry Williams, Jr., vice-president and treasurer, and Richard Bennett, professional manager of Ciccolini.

A. I. Siegel, secretary and general counsel, shows Vice-President and Treasurer Harry Williams, Jr., the details of the Longacre contract, while Ed Schuster, general comptroller, looks on.

Centre — David R. Hochreich, President of Vocafilm Corporation of America, and well-known leader of the independent interests of the motion picture Industry. Mr. Hochreich has long been associated with motion pictures, and has a reputation for square dealing and integrity.

Left to Right, seated — A. I. Siegel, Secretary and General Counsel; W. Harry Williams of Pittsburgh, Pa., Chairman of the Board of Directors; Ciccolini, tenor the Chicago Grand Opera Company; David R. Hochreich, President; John L. Dannelley, patent expert; Second row, standing — Julian M. Solomon, Director of Advertising and Publicity; Miss Riley; Frank X. Hofbaur, head of Recording Division; Ike Weber.

A. W. Essing, Musical Director; Miss Friedman; Allen Stowers, Technical Director; Elmore "Jimmy" Rice, Art Director; John Kelly, Chief Electrician; Harry E. Genet, Office Manager; Henry Kuehnell, Mechanical Director; George Lyon, Assistant to the President.

VOCA

PRODUC

Will Have Their First Public
at the Longacre The

VOCAFILM Productions are Motion Pictures PERFECTLY SYNCHRONIZED with sound records. They will be available to all theatres—small and large—because of the nominal cost of installation.

Any average motion picture operator can be taught to handle the apparatus within an hour.

With VOCAFILM there will be

NO SEAT TAX TO PAY
NO ROYALTY TO PAY

VOCAFILM Corporation of America plans to install its apparatus AT COST and depend upon volume business for its profits.

VOCAFILM rentals will be based on a live and let live policy —the same as its installation cost.

VOCAFILM plans to issue a program of 8 acts every two weeks. This will give the exhibitor the opportunity of using four acts each week, if desired.

In addition to VOCAFILM Productions, feature pictures will be scored with symphony orchestra accompaniment. Announcement will be made by the companies interested and by VOCAFILM from time to time as these features are made available.

VOCA

CORPORATION
DAVID R. HOCRH
Office and Studios, 122 Fifth

FILM
TIONS
Presentation Early in July
atre, New York City

VOCAFILM will be available to CANADIAN Theatres just as soon as distributing details can be worked out.

A regular schedule of releases will be started in the early fall.

CANADIAN EXHIBITORS desiring advance information are invited to communicate direct with David R. Hochreich at the VOCAFILM Home Office.

When you are in New York be sure to call and see him personally.

THE VOCAFILM CORPORATION of America is the sole and exclusive licensee under patents which absolutely cover the synchronization of sounds with motion pictures where the "motion picture machine and the phonograph record start in synchronization, proceed throughout in a predetermined ratio and end in synchronization."

The corporation, in its contracts with exhibitors, guarantees that it has such patents and that it stands ready to fully protect and defend its rights.

VOCAFILM equipment can be installed in any theatre for a nominal sum. This means that the small house may have the advantage of first run presentations without ruinous cost.

*There is No Seat Tax---No Royalty to Pay*

When you install VOCAFILM the first cost is the last cost.

FILM
OF AMERICA
ICH, President
Avenue, New York, N.Y.

# New Developments in Motion Pictures

By HARRY WARNER

(Continued from Page 72)

quired in the picture business. About three years ago, I saw them making pictures with a carbon light, and a set the size of this room would possibly take forty or fifty electricians to light it. I asked why can't they eliminate that, and why can't they get a bulb that will do the work instead of carbon, and everybody said that it couldn't be done. Last Saturday, we finished our first picture with an incandescent lamp doing the work. Now, that's quite a step forward in the business. If you just stop to think—suppose you had to light up an enormous big street, an enormous big scene, and you had to have two hundred or three hundred electricians. Instead of that, you can do it with buttons at one desk. Now, we have experimented with it, and we have made our first picture. I saw some of the reels, and the lighting, in fact, is better than with carbon because it is softer. You can't get as soft a light with carbon as you can get with the regular bulb. You can divide your light better, and when you work with the carbon you have to work with more powerful electricity. There, you have an advance in making motion pictures.

I could stand here and talk to you for hours on different subjects that are new developments in pictures, but I know that the main one you want is the Vitaphone and that you possibly will want to ask a lot of questions. I want to answer them, if I can. I know you don't want to hear any story that doesn't interest you. Would you rather have me talk, or would you rather have me answer questions?
(Cries of "Talk," "Talk.")

I have been talking to a scholar in the Harvard School for some time, so I am pretty well posted on what the Harvard Business School is. A man by the name of Donevan is the man with whom our organization comes in contact, also Mr. Catchings of Goldman Sachs, and he is from this school, so, I know what you like to hear talked; but I wanted to hear whether you wouldn't want to ask questions.

There's a man who comes into the business some years ago, about three, four, five years ago, and he created a system of new developments in motion pictures. His system was this. He wrote a series of letters that if you approached a man in a town of 9,000 you talked this way to him, and, if you approached a man in a town of 40,000, you should talk to him this way—and, if a lady happened to be running the business, use Letter 19—if he's got a beard, use Letter 42. Well, he stayed in the business about two years, and the company he was with had an awful hard time. You can't sit down or stand up and write a firm about how business should be run unless you go into complete detail and analyze that particular thing which you are trying to put across to make successful at the time you come in contact with it.

The big job we have is to provide for the proper kind of entertainment through the Vitaphone in order to have it succeed. When you get all through, you will find that people will go to hear the Vitaphone if the proper kind of entertainment can be obtained by the Vitaphone.

We are at this particular time going a little step further with the Vitaphone machine by making three pictures this coming year in which the Vitaphone is going to play quite some part, because we still have to convince a great many that a Vitaphone can play a part in a picture. For instance, in the making of a scene where a stage is a part of it and the actors are playing,—as you go into a theatre today you see the actors singing, but you hear nothing. We intend to bring out the actors' singing and the actual performance of each person on that stage. Our first picture will be "The Jazz Singer," so that if you have seen the show with George Jessel — I hate to advertise. I don't want to talk about it for that reason. But that is the first picture we are making for the Vitaphone, it lends itself very much, for the reason that this boy goes away from home and becomes a jazz singer. What effect that will have on the audience I don't know, except from those things we have done. These are synchronizing features, and make what we call "short numbers."

Then, we are going to perform a wedding ceremony. As you see today, the wedding ceremony is performed on the screen and everything is silent, and nobody knows what the priest or the preacher or the rabbi has said. As I go along, I have asked a few people, "Do you know what the wedding ceremony is?" And they said, "No." And I said, "That's why there are so many divorces." We will actually perform a wedding ceremony, and you will understand just what it is all about, — some of you that don't know.

Now, these are new developments. In talking to a very big man in the business not long ago, who tried to make a deal for some Vitaphone machines, I told him exactly what I am telling you. He said, "I didn't think you could do that with it. I thought you could just play short numbers." You must bear this in mind. These are actual facts. We can take a theatre — let's say that during the week it will do $30,000 worth of business. I am just going to use figures. It has a big orchestra and a big prologue, which is very expensive, and it has a picture, and next week the same kind of a show and a new picture, a new show, and it does $18,000 worth of business. Now, all you have to answer to that is, "What did the business?" When it's all said and done, everybody that is running theatres that I know, run them for a profit. I think there is only one man running a theatre, and I tried to sell him a picture myself, just to try to convince myself whether he was running it for profit or not. He is worth about $80,000,000. He argued with me and finally got me down to $500 for a picture instead of $750. You can make up your mind whether he is running it for a profit or loss. He is not in the picture business — he is just running a theatre in this town.

So it was with the difference between this $30,000 ad $18,000. In my twenty-four years experience, going through the good and bad part of the picture is what counts, and you have to do everything that is possible to help the picture. Now, if an orchestra will help the picture, that is the thing that you should have, but the unfortunate thing is that you can't afford to play an orchestra with a picture five times a day. Here is an argument I had with one theatre. I will give you the name of the theatre. The Strand Theatre in New York got a little nervous because the Roxy Theatre put in a Vitaphone. "Well," I said, "you should put in a Vitaphone." He said, "But the Roxy has got one." I said, "Here is what you do. You give six shows a day. Roxy has an institution of 6,000 seats, and yours is an institution of about 3,000. Why don't you take advantage of this? You have an orchestra that plays one and a half shows." In other words, when you go in there, you see one and a half shows. "That is perfect, because the orchestra plays with the show with the exception of a rest of twenty minutes. You have your orchestra come in six times a day and play their overture and let the Vitaphone do the rest, so you don't eliminate your orchestra and you are giving six perfect shows a day." I said this, "Why should a person who pays that money from five to seven not see as good a show as a person from seven to nine?" "Now, as it is, the people who go into the theatre and see the show from five to seven don't see as good a show as the people from seven to nine. That hurts your business. But if you can run six perfect shows a day, why should you worry about somebody else?" So, they are putting in a Vitaphone, and I think are opening up with it the twenty-third of April.

Now, gentlemen—oh, pardon me ladies —I was misguided — I was told there would be no ladies here—I am a little nervous and I brought my wife all the way to Albany and made her get out of the train at six o'clock this morning. If I had known there were ladies here I would have brought her along.

Now, that is the way the thing has to work. They have to be sold, one at a time. The reason is that men are cowards. The reason new developments are so hard to put over, no matter how good they are is because of the cowardice of human beings. No matter what invention it may be, no matter how good it is, they are afraid to either add to it or change what they are doing. That is the bad part. They are cowards because they don't want to advance. They say—and I get it every day—they say: "Why, our theatre is making so much money." I won't mention figures because I don't want you to go out of here thinking you are going to walk right into business right away and be as big as the man who is there now. They don't want to take a chance. They don't want to advance.

Let's take this as an example. Take the people in the vaudeville business. What did they say of motion pictures? They laughed at it. "Why, we've nothing to worry about." And the legitimate —what did they say? "Motion pictures will never take the place of our business." But, they waited too long. They waited entirely too long. The picture today has taken the place of vaudeville. While it is used as a combination, nevertheless, the picture is the thing that brings in the business. That theatre playing pictures, vaudeville, music and everything else, that will do $30,000 one week and $18,000 the next, convinced me it is the picture. So, I only hope the men who are waiting don't wait too long with the Vitaphone. I am trying to persuade them every day of my life. We will make a combination. I will do anything in the world. I will take the smaller piece. I will do everything within reason so that I don't have to kill myself in trying to convince everybody single-handed that the Vitaphone is here to stay. I admit it's been a hard job up

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# New Developments in Motion Pictures

By HARRY WARNER

(Continued from Page 102)

to the present time, but I have implicit faith that that which is right will be right, and I am sure it will find its place. Now, I can go on talking for a long time, but prefer to answer questions.

Mr. Kennedy: Mr. Warner, I have been handed several questions which I think those that are here would like to have you answer.

Mr. Warner: I shall be very glad to.

Mr. Kennedy: Do you lease or sell the Vitaphone?

Mr. Warner: I said that was a problem that we are confronted with, and at this particular time, this is what we do. After months of deliberation how to do it,—we take the cost of the machine, and we lease it,—that is,—the cost to us,—and we lease it to the man who runs the theatre, and if he doesn't want to pay cash, he pays it in installments of twelve months; possibly, 25 per cent cash and the balance divided over twelve months. Then, we charge him ten cents per seat per week tax. Now, if the theatre has 2,000 seats, he pays us $200 a week, for 40 weeks in the year, figuring that 12 weeks he may close his theatre, in the summer time. Now, that doesn't mean that that is the way it is ultimately going to be done because I personally believe that the man who has a small theatre in a small town won't be able to pay that much money. If he has 900 seats, and we charge him $90 a week in addition to the price of the machine,—I think ultimately we will have to largely meet the requirements of the situation.

Mr. Kennedy: What, approximately, does it cost to install?

Mr. Warner: We have got it down to the cheapest. In a theatre of 900 or 1,000 seats,—$16,000. The next size, $18.-000,—about 1,500 seats, $18,000. The larger theatre, $22,000. A theatre like the Roxy, $25,000. That is just the cost to us.

Mr. Kennedy: Describe how it was first introduced, with what picture and what music.

Mr. Warner: I don't want to advertise. When we got this Vitaphone first, we decided to do it on a large scale. Then, the job was to get the pictures made for it. We were at that time starting to make pictures with John Barrymore, and we knew ultimately we would have to tie up this picture because we have a machine and nothing to play on it doesn't go very far. So, we started out to make pictures to keep with the Vitaphone. Well, while it was a large investment, we felt that was the only way to do. The first picture we made on a large scale, much larger than we intended, was "Don Juan" with John Barrymore, and then "The Better 'Ole" with Syd Chapman.

Mr. Kennedy: What music?

Mr. Warner: The New York Philharmonic Orchestra, with a special score written for it,—107 men. We have found out since that with 107 men it is too much. We have learned from experience that 80 men would be better, because if you crowd too many men into a small room, why, naturally, you expect to hear a very large volume, so it is better with 80. We have also tried it with 65 men, and found it a little better yet, but we are not going below 80 at this particular time.

Mr. Kennedy: The other question is: Describe how your method differs from the Fox method, the other so-called "talking picture."

Mr. Warner: The Fox method is the method used in making a sound on film. You take it on the film instead of taking it on the film and record. Let me tell you this. When we first started, that is the way the mechanical end operated. A camera and a Vitaphone instrument were placed in one little sound-proof room, and they were connected with a rod and cog wheels on each side and both worked automatically. This is what happened. The grind of those two wheels was heard in the audience, so after we got the picture people in it, whom we brought from the coast, they finally developed it, with the camera working on this floor and the recording man at a different place. We now have it six stories apart, and the building we have bought in New York, where all our work will be done, known as the Cosmopolitan Studios, we will be able to operate further away yet. The time is very short when you will hear the inauguration of the next President. I believe it will be by that time in the theatres that have got Vitaphone machines. That address to the American people will be told through the theatre on the Vitaphone perfectly because we will be able to record in New York the address in Washington. Now, the difference between the film is this: We have developed it down with an extra attachment that costs less than a thousand dollars, put on the Vitaphone machine, and it also uses the Fox movie-tone method. So that a theatre putting in a Vitaphone can use either the method now used by us or the one on the film. Remember, that the other one is on the film. They do all of their work by a ray of light that penetrates on the film and marks it. I heard a demonstration not long ago, and it's very good. But, in order to protect ourselves in the future, we obtained the rights,—the Vitaphone Corporation obtained all of the rights and interest in that method of the movie-tone. So, I don't want you to think I'm going broke. We have both, and Fox has the right to manufacture his own numbers and his own pictures to be run on this machine. We also in exchange gave him the right to manufacture either way, so that he can manufacture with the record, by installing our apparatus or continue the way he is doing at the present time. That is clear, Mr. Kennedy?

Mr. Kennedy: Yes, thank you.

Mr. Warner: Is there anything else?

(Question from the audience): What is the attitude of the organ manufacturers?

Mr. Warner: I am sorry I haven't the rules here. You don't mind if I get a laugh out of it. I like to have a laugh once in a while. We are building a theatre in Hollywood, and we have more rules about the organ than we have about the whole theatre. I am sorry I haven't the rules with me. In Kansas City, I got a wire from an organ company,—"It will take only two hours time to show you our organs, while in Chicago." And I was only there one hour and forty minutes. I will tell you. It is very hard to prophesy just what the Vitaphone is going to eliminate ultimately. I do think that in the course of time, as there are

(Continued on Page 104)

Greetings

to Canada from
one of her
own,
celebrating happily,
Canada's
Diamond Jubilee
of Confederation

Louis Rosenfeld
General Manager
Columbia Pictures

The
Garden Theatre
in the
Garden Spot of
the World
"Canada"

Greetings and Best Wishes
to Canada for centuries
of prosperity.

JOE COHEN

Charles and Hyman
Rotenberg

Congratulate Canada
on her
Diamond Jubilee
and extend to her their
felicitations on this
occasion of
her celebration.

Chateau and Pickford
Theatres

# New Developments in Motion Pictures

By HARRY WARNER

(Continued from Page 103)

enough pictures synchronized — the big job is that here's a town, let's say, of 30,000, and there are five theatres. Now, each of these theatres possibly changes three times a week. That would be a fair average for a town of that size. They change their program three times a week. Now, take five theatres which are changing their programs three times a week. Now, that's fifteen different and distinct shows which they have to show. Now, it's going to be a long time until there are enough pictures synchronized to eliminate the organ. It is true, that if machines once become established in enough theatres and there are enough pictures synchronized to run those machines there won't be any need of organs, but I think that is far fetched and a long time from today.

(Question from the audience): Do you propose to sell the Vitaphone at cost or less than cost and make the money from the use of it, or do you propose to make the profit on the sale of the Vitaphone?

Mr. Warner: That's a pretty good question. Now, there are several things to consider there. The first one is the competition there is going to be in machinery. That's number one. If there is a competitive machine — you know that as soon as you change any set rule that may be put down there is apt to be competition. Now, as yet, I don't know of any competition. There are a great many machines being demonstrated, but there is only one thing lacking, and that is amplification. There is only one company in the world that has the telephone, and telephone amplification is that which is used with the telephone. If I am talking with my brother in the studio at Los Angeles and we decide to do a thing that way or this way, and I can hear his voice, there is no question it can be enlarged in a theatre. So, the question of price is going to depend on competition, and it all depends as to how the machine is developed. I think we should form a company that the others are willing to go in on, and we would be willing to form a company if everybody came in. We have told them that, in order to make this an industrial proposition, and we want them to come in and we will put our money in alongside of theirs. It may develop that money may be made out of members. I think ultimately the seat tax will be changed, but it is a little bit too new to say just how that's going to be changed.

I will give you a little thing about the picture business. You don't mind if I get away from this subject a little bit. We will talk about money and a little bit of the picture business. I went to a theatre man and said this. This man in particular said the Vitaphone was too expensive. I said, "All right. How much money have you made in the last six months? Let's see your books." Well, in this particular theatre, I think he made somewhere around $1,500 in six weeks. "If I can put a Vitaphone in which will cost you $18,000"—he needed a Number 2 size—"and give you a picture to play which can pay for the machine in one run"—do you know what a "run" is? You take a picture and run it as long as you can in the theatre,—as long as it makes money. "If you can take a picture and pay for it with the machine, what do you care?" So, we made a deal with him. It was 50-50, and we got $54,000 for our picture, and so he got $54,000 in six weeks, didn't he? Now, how you divide the apple doesn't make much difference, does it? You just can't tell.

There is another man who had a theatre. Ordinarily he wouldn't pay us. Well, I will say that we got a big price, if we got $2,500 for our picture. He gave us $34,000 for our picture on a 50-50. So, it is very hard to tell just how this thing is going to be divided. Now, you might take another picture and not do as well with it. We haven't had enough time to go into all these things but there is no set rule, except that we have set one rule,—that the man pays for the machine. Don't forget, ladies and gentlemen, that we are doing this single-handed today. We are doing it with our own money because we believe in it. We believe in it not only for the money, although money plays a great part,—we honestly believe the Vitaphone is going to do more good for humanity or mankind than anything else invented.

You spoke about new developments. I don't know about this being new. I am following a lot of old timers so it is pretty hard to tell you what's new. We all know that if you and I can talk to one another that we can understand one another, and that which is wrong will righten. We know if the Lincoln Gettysburg Address were told throughout the world, maybe the world at large would understand what this part of the world is all about. We think that people read these things. We think that people know a lot of things, but when we get out into the world and see the masses of people and find out how many are really working hard to earn a living and haven't the time to know a lot of things, then we realize what it's all about. We can give them a lot of things.

I will give you a little incident which happened to me. My boy who is here —when he was an infant, we had to give him castor oil, and I used to have a terrible time. He would bite me and do everything. I used to call my father over and he would say, "I can do it." So, he would get his thumb in his mouth, and—it's the old story, you all have had it—he would bite that. We had a tough time giving it to him. In later years, we used to give him castor oil. He didn't know it. He used to like it and ask for more.

If we have a message that we can tell throughout the world, or that any country can tell, maybe we can understand one another better. The Vitaphone can do all that. There are a great many people who go to the opera and pay seven or eight dollars to hear the greatest operatic artists in the world, and there are many more who cannot and also want to hear them, and the Vitaphone makes that possible. Those are the things that honestly and sincerely make us fight on for it. If it was just money alone, I give you my word as a man that I would have taken the money I put in it, and all four Warner Brothers could have lived the rest of their lives without worrying. (Great applause.)

Mr. Kennedy: Mr. Warner brought up some folders of the Vitaphone that will be available tomorrow in the Library, if you care to have them.

# The Great Lakes

IN OUR water-borne commerce, the Great Lakes, Superior, Huron, Erie and Ontario, with the River St. Lawrence, link the Canadian West with the Atlantic Ocean. They are navigated by vessels of a special type, drawing from twelve to twenty feet of water, and calling at the remotest points on the Great Lakes. Some of these vessels carry passengers between the United States and Canada.

A large part of the grain crop of Western Canada passes down the Great Lakes, and is transhipped at the ports of Montreal, Buffalo, New York or Portland for export to Europe.

In traversing Lake Superior, a vessel covers 400 miles; on Lake Huron and Georgian Bay, 620 miles; on Lake Erie, 290 miles; on Lake Ontario, 250 miles.

The principal Canadian ports on the Great Lakes are Fort William and Port Arthur. At these two parts the vessels are loaded with wheat from the West, consigned to England via Montreal. The voyage from Fort William to Quebec is 1,660 miles.

The devolpment of transportation on the Great Lakes has given an incalcuable impetus to the production of grain in Western Canada. This is one of the advances upon which Canadians may congratulate themselves o nhte occasion of the sixtieth anniversary of Confederation.

M. Gebertig

*Bluebell Theatre*

Greetings and Congratulations to the Diamond Jubilee of Confederation. To the Union Jack Long May it Wave.

# Canadian Showmanship

## By GEORGE ROTSKY

GEORGE ROTSKY

CANADA is by no means the Showman's Utopia. The ramifications in the presenting of a show to the Canadian Public are, indeed, many and as varied.

It has been said, and not without a percentage of truth in the matter that, "there isn't a good show town in Canada." Of course, those making such statements are comparing Canadian cities against those in United States and frequently such statements are made by those who are not in a position to judge. There are so many things that enter in the business of Showmanship in Canada that are quite foreign to United States Showmen that it is no wonder that some are prone to say that Canadians are not "Good Theatre Goers."

In order that I may place the variables before my readers I find it will facilitate matters if, I departmentalize them. First of all it must be remembered that the Canadian Theatre Manager plays a sort of a paternal relationship to the public. The average Theatre Manager is expected to know his audience so well that a fair percentage of the patrons expect you to have the physic power sufficiently developed to be able to call them by their names, even though you may never have seen them before. At my own theatre, for an instance, I do not doubt that I could place and name hundreds of my patrons and name them as I frequently do when I am on the reception floor. Yet there are many more hundreds who give you the passing nod and carry a disappointed look away with them if you do not call them by their name.

In relation to screen presentations, it is an ever important problem. When my readers take into consideration the fact that Montreal is virtually two distant cities in one—where 71 per cent of the population is French-speaking—French-reading one is immediately up against a two-language proposition in titles and subtitles. For years past now, I have been presenting all my screen subjects with bilingual (French and English titles. While I obtain the best translations it is possible to secure, there is hardly a day goes by without I receive in my suggestion boxes, placed at various points in the theatre, some criticism of the French Titles. One has ever to be on the alert, French Titles have to be checked and re-checked as it is quite easy to slip up on what may seem to be a trivial thing in English but of paramount importance in French.

Star values in Canada have not the same importance as they are rated in the United States. With very few exceptions, the Canadian Manager must go out and make the star. He has to sell the story and the star, and frequently the titles are a handicap. Whereas in the American cities, one only has to mention the star and the Box-Office makes a clean-up.

Here it is entirely different. The Canadian Theatre Manager must utilize every possible avenue of Publicity to sell his show to the Public. There are not infrequent intervals when the feature picture is of such a calibre that the Manager must bolster up his programme with short subjects and I have known of many weeks when my short subjects have been 90 per cent responsible for putting my show over with a bang.

Censorship plays havoc with all film features, especially is this true in the Province of Quebec. I have seen my promising features absolutely slaughtered by the censors. So prevalent has this guided censorship become that the public have been heard to say, "Oh! what's the use of going to see it, the censors will have spoilt the story by their cutting," and I confess, frankly, in many cases the public is right. No Theatre Manager in Canada wants to present any class of picture, that is offensive to the public, that I am sure of, but when one has to stand helpless and see inoffensive "Chunks" deliberately cut out of a picture destroying its continuity, it is, to say the least maddening. Yet this is going on all the time despite our ceaseless, continuous combined efforts to minimize the menace.

Then on top of this censorship of films, we in Montreal, are forced to submit all our lobby-displays, posters, and window cards to a department of Police censorship. Where every piece is rubber-stamped; for this censorship of outdoor publicity we pay the city so much per copy.

Then too, included in the "red-tape" is the delay occasioned by these forced hindrances. There is to be included in this item the delay of time occasioned by duties on scenic effects, publicity matter and the other materials held by customs. A hardship that United States Showmen do not have to contend with. In regard to stage presentations that are frequently needed to "bolster-up" a programme together with skilled union mechanics, musicians, etc. It is frequently impossible to import any from the United States and owing to scarcity here of that — when we are successful, usually, the salaries demanded are so exorbitant that it is a hardship on us.

Newspaper advertising also is quite a problem. In majority of American cities a programme advertisement of 50 to 150 agate lines is usually sufficient to put over a new show with possibly 20 to 40 agate lines daily. In Canada bigger space is a necessity, and frequently this must be prepared by an artist—from a Theatre Manager's layout. Press sheets usually are made up for American small city consumption. Majority of them are to-day at a loss themselves on what to say about the feature they have in hand. Press Sheets look as if they all come out of the same "Coffee Mill" and it would appear that their editors are brain-fagged.

In Montreal we have even a greater problem as it is necessary to cover both French and English population and for that reason French and English advertisements have to be prepared. Montreal, I believe, runs larger theatre advertisements than any other city on the American continent and I can say this without ego that the theatre advertisements published by the Managers of the Montreal theatres are the best examples of theatre advertising copy I have ever seen. I say this, basing my judgment on a careful check-up of all American and Canadian advertising.

Notwithstanding all the foregoing, do not presume that the theatre business in Montreal and Canada is going to the "mow wow," far be it—it only goes to prove that the Canadian Theatre Manager, being thus handicapped as compared with his American, "fights harder," "works harder" for his business, and gets it.

**Producers!** **Distributors!** **Exhibitors!**

## *Everybody Attention, Please!*

**THUNDER BAY FILMS, LIMITED, makes its bow to the Motion Picture Trade, to the Motion Picture Public, to everybody, everywhere, who are interested in an opportunity for an investment, which carries with it all the safeguards that are humanly possible.**

*THE OBJECT of this Company is the establishment and maintenance of a Motion Picture Industry at the head of the Great Lakes in Canada, situated in the centre of the most wondrous, gorgeous scenes of beauty, unparalleled anywhere, in any country.*

**THIS will be a Canadian enterprise, Canadian owned, but the production operations will be entirely in the hands of the most competent production and directorial staffs in the Motion Picture Capital of the World, and the casts for its pictures will comprise the most talented artists known to the screen.**

*THE FIRST STORY to be filmed, "The Spirit of the Wilderness," is a purely Canadian theme, the product of a Canadian author. It is woven around a most thrilling and gripping romance, whose settings are in the Wild Woods of the Northland. It is based upon the highest principles of mankind; and is vibrant in its heart interest and human appeal.*

**THE EXTERIORS of the picture will be shot around the Head of the Great Lakes, where many incidents in the story really occurred. The interiors will be taken in Hollywood.**

*THUNDER BAY FILMS, LIMITED, is incorporated under the Ontario Company's Act with a capitalization of* $500,000, *divided into* 20,000 *shares of* $25 *each (common stock), fully and non-assessable.*

**THIS stock is now open to subscriptions for financing the Company's first picture.**

**FULLEST particulars will be cheerfully furnished upon application to the Secretary of the Company, 133 N. May Street, Fort William, Ont.**

# The Art of Screen Acting

By MILTON SILLS

(Continued from Page 97)

tre of interest. It was there ready-made for its pleasure. This practice spelt economy in attention, vividness of effect, and dramatic intensity. The close view, the medium shot, and the long shot could be intermingled by the skill of the director and the mechanics of the cutting room in such a way that the narrative was constantly moving from high light to high light. So far as the actor is concerned, he is no longer required to memorize long roles or to sustain complicated characterizations through long continuous acts. His work is done piecemeal. While in some ways this method makes it easier for him, in others, it renders it more difficult. His work is more concentrated, he must depend to a greater extent, on facial behavior for his result — the isolated and highly magnified droop of an eyelid must perhaps carry a world of meaning covered on the stage by a long speech—deprived through the necessity of economy in cost of production of long rehearsals, his art becomes a species of rapid, ready and facile improvisation. Fifteen years ago, under this method, the actor's product was, for the most part, exceedingly crude, obvious and theatrical. It is remarkable that in the intervening years, his art has developed, in response to higher and ever higher standards within the Industry and the pressure of more and more discriminating audiences, into a medium expressive of the most delicate and fragile moods, emotions and even thoughts. While like the old Italian pantomime, it depends largely on unvocalized behavior, it has none of that school's conventionality. It lives and breathes the breath of life.

The working conditions of the screen actor are also entirely different from those of his stage cousin. He starts work, made up and in costume, at nine in the morning and his day averages eight hours. Not infrequently, he works all night when night scenes are required. Long hours at a stretch are not uncommon, and considerable physical endurance is demanded of him. Usually, however, his schedule calls for about twelve scenes per day. At an average of sixty feet per scene, or one per minute, of time, this means about twelve minutes of actual screen performance which will be reduced to half or less in the cutting room. At first blush, this seems like a paltry amount of product for a whole day's work. But it really represents intense activity in the placing of cameras and lights for the best photographic results, in discussion, in rehearsal and performance.

As for the actor's relation to his employer, it is on the whole harmonious. There are seldom causes for disagreement or dispute, and collective bargaining such as has been found necessary on the stage, has not found a foothold in the studios. So far the actor has expressed no concerted desire for its services.

I have attempted to classify actors on the basis of their salaries. It is desirable to point out that there is another important method of classification. The actor represents an exceedingly diversified product. There are the comedians who have invented a highly specialized technique in laugh manufacture. There are the so-called Western actors, who employ the gun and the horse as the chief tools of their trade and who are very skillful in their specialties. There are stunt actors whose stock consists of incredible feats of daring and danger. There are those who devote their talents exclusively to emotion, drama or melodrama. While there is no such thing as standardization in commodity; nevertheless, each actor has his own particular sphere and stock in trade. Chaplin could not shed his moustache or slough his funny trousers, Harold Lloyd is forever condemned to large rimmed spectacles, Fairbanks must always perform breath taking acrobatic feats. Each actor, more or less, exploits personal characteristics or styles or mannerisms that the public has grown used to and expects. This does not mean that the actor is stereotyped. Within his range, he has considerable latitude, but he has his fixed orbit. Chaplin as Oedipus Rex or Fairbanks as Charlie's Aunt would be a public scandal of serious proportions.

Just as fifteen years ago, the actor entering a studio endeavored to conceal the shameful fact, so until recently the Industry has assumed a defensive, even timorous attitude, in the face of criticism. Today, its stand is no longer apologetic. Millions of people all over the world do not pay incredible largess into the pockets of the Industry, and of the actor in particular, without receiving a commensurate value in return. What is this value?

We may say all we like about the educative quality of the film, its indirect influence among nations toward the promoting of mutual understanding and world peace, its teaching of the manners and customs, the clothes and interior decorations that we find desirable, its function in advertising our commercial products. Fundamentally, while highly important, these seem to me secondary matters. The one thing the public pays for — without stint — is entertainment. If entertainment performs a distinct service, then the Industry, and incidentally the actor, need no further justification, much less apology.

It may be that some vestige of old New England puritanism persists in us, but until recently the business of amusement has been, to some extent, regarded as unessential, frivolous and unworthy. The stage, indeed, the arts in general, were not looked upon as meriting serious consideration. During the war, for the first time, our federal government put the seal of its approval on the motion picture as an indispensible industry. What brought about this change? Why do we no longer have to assume a negative attitude of defence?

Because we are beginning to recognize that amusement satisfies a fundamental human appetite, that it is a commodity as essential to the physical and mental health and well being of the human as lumber, wheat, oil, steel, or textiles that in short it is a staple product in constant demand.

Particularly is this so today. Never before in the history of civilization has there been felt such a need for what is known as entertainment. It is a disquieting fact in modern life that very few of the men and women who carry the burden of the world's work find a compensating joy in that work. Sadly enough, the bulk of it lacks intrinsic interest. It has become over-specialized and standardized. The jobs of the factory hand, the shop girl, the clerk and the miner are routine jobs; they represent so much inevitable drudgery, and for the most part, in the drabbest surroundings. Little wonder that voices of dissatisfaction are heard, that the menace of revolt against our economic system raises its head. At best life is hard and dull and tragic for most of us. Some compensation for the miseries and boredom of existence is necessary. If our present industrial and social status is to be maintained, that compensation must be supplied. The problem is how to supply it to 130,000,000 people and at a moderate cost. Answers to problems such as these are met in modern times by the research of the scientist and ingenuity of the inventor. Just as McCormick solved the problem of wholesale farming by the inventio nof the harvester machine, so Edison and Eastman solved the problem of the wholesale manufacture of amusement by the motion picture, and its retailing at prices within the reach of all.

But just how does this form of amusement function as compensation to the drudging millions? By providing a means of escape from the intolerable pressure and incidence of reality. The motion picture enables the spectator to live vicariously the more brilliant, interesting, adventurous, romantic, successful or cosmic lives of the shadow figures before them on the screen. Here are careers more vivid, saturated, full-blooded. Here there is no suppression, no frustration. Here are the kind of men and women they would like to be; here is the kind of conduct they would elect to make theirs if they could. Here is the land of Heart's Desire. The film offers them a Freudian journey into made-to-order reverie, reverie by experts. Now reverie may be unwholesome — our psychological studies are still too immature to decide this question — but in our present form of culture it seems to be necessary. In any case, reverie engendered by motion pictures is certainly more wholesome than that engendered by the corner saloon or the drab walls of a tenement house. For an hour or two, the spectator identifies himself with the hero or heroine; potential adventurer at heart, he becomes for the moment an actual imaginative adventurer in a splendid world where things seem to go right.

Now the focus of this form of amusement, of this method of vicarious living happens to be the actor. It is in him and his fictive career upon the screen that the spectator is submerged. It is in him that the public fine escape and compensation. Small wonder that he is popular, that he becomes a beloved idol, a world hero. Small wonder that there are only a few who can fill so exacting a role. Small wonder that he is paid accordingly. The people clamor for him, the producers compete for him. The product of careful selection and long training, he is a scarce commodity, and the law of supply and demand operates in his favor.

Meantime, he performs an important public service, ameliorating the dreary lives of countless millions, bringing them charm, romance, laughter, grace and high adventure. From 100 to 200 prints of his contribution are struck off and distributed to every corner of the globe. The technical machinery of the camera, the laboratory and the projection machine have multiplied him and his wares in manifold, and the public buys him in

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## The Motion Picture Industry

By WILL HAYS

(Continued from Page 96)

tween man and man, between group and group and between nation and nation. When we know one another, we do not hate one another. When we do not hate, we do not make war.

Wars and lesser conflicts are caused because groups and peoples do not understand each other's ideas and beliefs, each other's backgrounds and ambitions. Were all these things clear, there would be no hatred, no bitterness and no war.

The motion picture knows no barrier of distance. We are apt to look upon the distant group or nation as something different from ourselves and therefore inimical. The motion picture knows no barrier of language. We are apt to regard those who do not speak our own tongue as different and inimical. But a few thousand feet of celluloid film in a metal container can be sent to the ends of the earth to speak the language which every one understands, civilized or savage — the language of pictures. Under the benign influence of familiarity with each other, no matter where we may dwell or how we may speak, the world is bound to grow better, I believe, and this is one of my greatest hopes for the motion picture. Thoughtful administrators of the great nations of the world are coming more and more to realize the possibilities of the motion pictures and are lending their aid to it in important ways. Our own government is co-operating closely, and we are ourselves determined that at every opportunity a true portrayal of American life and ideals shall be given to the world and that to the nationals of all countries shall go a true message of the lives of the nationals of all others.

The accomplishments of the motion picture have indeed been great, and their future is infinitely greater. It has carried the silent call for honesty, ambition, patriotism, hope, love of country, and of home to audiences speaking twenty different languages, but all understanding the universal language of pictures; it has brought to narrow lives a knowledge of the wide-wide world; it has clothed the empty existence of far-off hamlets with joy; it has lifted listless laboring folk till they have walked the peaks of romance and adventure like their own Main Street, with laughing lips and healthy hearts; it has been the benefactor of uncounted millions.

While today there is little to apologize for and very much to be proud of, there is very much to be done. I do so welcome these occasions because they are an emphasis on "what's **right** with the movies." Everything will be entirely right as you and others like you give us your understanding, your appreciation for what has been done, your sympathy with our problems and your constructive advice and co-operation.

It was a wise man who said:

*"If you can't be a bell-cow fall in behind"*

THAT'S US

**Sam Bloom and Sam Fine**

Leading the Parade with
B. & F. Circuit.

"NO BULL"

Bell Cows on the forward march to the green pastures of Canada's Prosperity.

Greetings—We thank you.



GREETINGS

***En Avant!***

This is the march of Canada, steadily gaining ground, on, on, on, to the greatness and fulfillment of a world's nation, with the Union Jack flying overhead.

***"Vive le Roi"***

George Rotsky

Palace, Montreal


## The Art of Screen Acting

By MILTON SILLS

(Continued from Page 98)

quantity. Taking into account his numerous different roles, he may play before 500 or 600 audiences simultaneously and in as many centres. Theatres are, of course, necessary; studios with their elaborate staffs, directors and cameramen, executive and managerial departments, sales and distributing forces, expert financing are all essential to the Industry, but paramount to its existence are two things. The public goes to see stories, and it goes to see actors in them. The story and the actor are the hub of the Industry, the nucleus of this characteristic entertainment of democracy. The actor belongs to the common people. He is their most intimate and yet mysterious friend, his face and feelings brought almost microscopically close by the miracle of the screen, and yet intangibly remote and veiled with the glamour of a romance lent him by the astounding and entrancing fictions he seems to live through. The drama he embodies is not for the intellectual, but for the common mind and heart. The race cares little about the problems of an Ibsen or an O'Neil, it has never heard of the square-root of minus one or the Boh theory of the atom. The things it is interested in are love, courtship, marriage, divorce, motherhood, crime, gambling, sports, the disastrous forces of nature in fire and flood and earthquake, the strength of man and woman's beauty, the loyalty of friends and the treachery of enemies — in all, the clash and clangor of human lives in stress. These are the things that are near to them. Their heroes have been Odysseus, Siegfried, Robinson Crusoe, Launcelot, Hamlet, Faust, Napoleon, Joan of Arc and Cinderella. These figures have become idealizations of themselves, life-enhancing to the world-imagination, redolent of tang and flavor, appealing to the midriff, not the mind. Our modern heroes are Bill Hart with a brace of guns routing a hundred miscreants, Chaplin, inimitable clown with a tragic heart, Fairbanks, invincible romantic adventurer, the Prince Charming of the fairy-books, and Mary Pickford, immortal sweetheart in whom every Cinderella finds her fairy prince. These, and a few more, have become the classic figures of our screen. The public loves to love.

In this brief sketch, I have tried to outline the motion picture actor's business status for you, and the human demand on which it rests. Along with and through the Industry, of which he is a part, he seems to me to constitute a formidable and novel development in modern affairs.


GUS SUN BOOKING EXCHANGE
GOOD SERVICE
GS
TORONTO

Greetings

. from .

Sol. Berns

Diamond Jubilee

# Theatre Management

By MARCUS LOEW

(Continued from Page 92)

enormous in proportion to investment that we were able to extend without outside aid. When I started getting theatres, before starting to build, the most the landlord would expect from me would be $2,500 to $3,000 security. I used to make that in a month. Before we ever built a theatre we were opening a theatre every month, and sometimes two a month, of that kind.

When it comes to building theatres, that is another story. Then you require outside finance. I did not try to do that to any extent until we were listed on Wall Street and able to get the money that was necessary. That was a long time afterward, and I wasn't very keen about it at all. I thought we were going fast enough. Thank the Lord we did, or somebody would have had our theatres by this time.

Q: Do you have two types of theatre — those which you call the Loew Theatres and those which may not be classed as first-run theatres? Do you have more than one in a single city?

A: In most places we do not run anything but Loew Theatres. We have cleaned out all of those theatres and that I have been telling you about. There isn't more than half a dozen left on the old chain, and we have replaced them with large, modern theatres. We have a few exceptions where we do not put up the name Loew because of the standard that Loew meant. We have a certain price of admission, and when the price is higher than that — which is very rare — we retain the old name, like the Capitol Theatre in New York. We have a half interest in that. I would not put up the name Loew because of their price of admission at the time. They have a fine entertainment, an enormous orchestra, 90 odd pieces of music and the best pictures that money can buy, and they have marvelous surroundings. Before the tax came off it was 65 cents. My price was 50 cents, so I didn't want to put my name up there because that was not my standard of price.

A: Practically across the street — I mean on the corner of Forty-fifth street — we give a much more expensive entertainment. It costs us a great deal more for our entertainment — not to run the theatre — than it does at the Capitol, and we get only 50 cents. I do not want to charge more than that. That is my price except in a few isolated locations where we get 65 cents, where we give big presentations. I do not even like that but I cannot help myself.

Q: Do you think that the day of this very pretentious theatre, over and above what is necessary to present the finest talent in pictures, is limited?

A: No; I don't; it is like everything else, it is luxury and it is so easy to become accustomed to luxury and so hard to give up after you become accustomed to it that the theatre must do exactly the same thing.

If you are giving good shows and the fellow with the luxurious theatre is giving poor shows, you will get the business, but if you are giving a good show and he is giving a good show he will get the business. It is like everything else.

I remember the time they tried to talk me out of putting organs into our theatres. My men tried to talk me out of it. They said it was a terrific expense. You know what it meant to the theatres instead of that old piano. Now they have come to the cooling plant. It is remarkable what it costs to operate a cooling plant, but I would no sooner think of operating a theatre without a cooling plant than I would fly. It is as essential as the picture on the screen. In some cases it costs $200,000 to install and $600 or $700 a week to maintain, but it is for the comfort of the patrons, and that is the only thing that a successful exhibitor is looking for. If he doesn't, somebody else will.

Q: I had particular reference to the big promenades and lobbies and all that space that is taken up in the building.

A: That is not a waste of space. Once upon a time that used to be covered with plaster. That was in every theatre but they did not use it. It was just the thought of some architect and it developed. That space was always there under the balcony and gallery just the same but never was utilized until some architect came along and thought of putting those sitting rooms there. Of course, there is a little more space being taken for various sitting rooms, waiting rooms and smoking rooms and things of that kind. In fact the first theatre that ever had such a sitting room was the Orpheum Theatre here in Boston. We used to have brokers come in there and look at the ticker, and when they found they lost money they went out and asked for their money back.

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# Distribution

By SYDNEY R. KENT

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ably be interested in the comparison. I told you first that in spite of this quota that we attempt to set there is really no absolutely fixed price. We are trying to meet that situation by playing our product on a percentage basis. We are seeking to convert the exhibitor to giving us a share of the receipts at the box office because the only correct appraisal of a motion picture is the public's opinion of it. You cannot tell what it is going to produce until the public has appraised it. If you are playing on a percentage basis you are automatically getting your reward because the public give it to you and not the exhibitor.

Another interesting thing is the manner in which we get our revenue. There are 18,000 exhibitors in the United States. Perfect distribution is about 13,000 accounts. The other 5,000 are eliminated because of being competitive houses or houses of a class which you cannot serve with high-class merchandise. About 75 per cent of our revenue comes out of the first 1,250 accounts. We call those the key accounts. The average circulation is about 9,900 to 10,000 accounts on a good motion picture, so that 95 per cent of our sales effort is directed toward producing 25 per cent of our revenue. In other words, we can sell our first 1,250 accounts within two or three weeks' time but it takes us the remainder of the year to complete that circulation and get the other 8,500 or 8,700 to make up our average circulation.

The cost in time and effort and money in getting that last 25 per cent is very, very high, and you might wonder why we would not stop there. I want to show you why. That is mostly small town business, theatres where the pictures change once, twice or three times a week, and some of them run only one night a week. Our experience has taught us that the boy or girl on the farm today is in the big city tomorrow. We must educate the people where we find them so that when they move from the small town to the city they are already customers for our merchandise. Another reason is the fact that it gives you healthy circulation and enables you to reach a greater number of people. The greatest factor of all is that your profit is in that 25 per cent, so you have to get it to make a profit.

Another thing, a picture in one town of 30,000 may produce only half the revenue of the same picture in another town of the same size, or the reverse may be true. That is due to theatre conditions more than anything else. This is the only business in the world that penalizes a progressive merchant. If a man has an old theatre and he can pay only $100 for a picture he gets it for $100. But if he is progressive and spends half a million dollars on a new theatre he must pay four or five times as much as he paid before. That is not true of any other business in the world.

The exhibitor has a great deal to do with the amount of money that can be taken out of a town with a given population, due to his showmanship, his personality and the manner in which he handles his public. Many other factors enter into consideration.

Another thing is that 85 per cent of our selling is done at night. When you pass the theatres in the large towns that operate all day seven days a week you run into the great mass of theatres, thousands of them, that operate one night, two nights or three nights a week, where the exhibitor may be the local banker, blacksmith or grocery man and his theatre is operated at night except on one or two matinee days per week. So that 85 per cent of our sales effort is after seven o'clock at night. Our hours run from seven to one or two in the morning, and that is something that is not true of any other industry, I believe.

This is the branch office or exchange (indicating chart), showing how these 46 offices operate. There is the manager, the department of maintenance, sales, service and accounting.

We have one very interesting department in our exchanges, and that is the department of booking and shipping. The men who run these shipping departments must be as well trained as a man in the railway mail service. In the railway mail service a man has to commit to memory thousands of postoffices so that he can throw a piece of material to reach its destination in the shortest possible time. These shipping clerks must know how to ship a picture to a given point, allow it to remain there for one day or two or three days or a week, get it back on the first train, give it time for inspection and make the next train to the next exhibitor, because in this business we work always against time. There are no seasons, and the success of our business is right in this department here. The booking department comes first, and then the shipping department. The percentage of booking efficiency against your prints is the formula for your ultimate revenue on that picture, and if a print is losing 25 per cent of available booking time that

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# The Spice of the Programme

By EARLE HAMMONS

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of a man working 18 months on a classic of that kind, which was awarded the Riesenfeld gold medal, and what is his profit to date? His profit to date is $35. Can you imagine it?

One of the subjects that we have put out is the news reel, the Kinograms news reel. A news reel is made up like a metropolitan daily. We have men stationed all over the world. Some of these men are under contract at a certain salary and they are given a certain amount of film. As they send it in they are paid an additional amount for the film that is used. That must be gotten out just as quickly as possible. They use aeroplane and automobile, anything to get it in the press and out. These news reels are issued twice a week. The expense is enormous.

At the present time there are four news reels on the market. The first of September there will be six. There is hardly revenue enough to support four. I tell you this merely to show you the vast waste of some departments that exist in practically all branches of this Industry. That is where you gentlemen have a wonderful opportunity to devise ways and means of cutting out some of that waste.

With those six news reels there will be six organizations and at least 75 per cent of their efforts will be duplicated. If they are taking a launching of a ship they will have six shots of that ship instead of one. Maybe the answer to that is something like our Associated Press. I do not know.

As members of the Motion Picture Producers and Distributors of America, the Hays organization, we subscribe wholeheartedly to their policy in developing educational films and contributing to the general usefulness of motion pictures. I am in hopes that our companies will be the leaders in the educational end of the business. I know that the educational end is scoffed at at this time. It was scoffed at in 1915 when I organized the Educational Films Corporation of America.

Mr. Kennedy told you that the name of our company was a misnomer. In 1915 I organized this company with the sole idea of making purely educational pictures for the classroom and other uses. We spent a good deal of money trying to do that.

You gentlemen all know from the people who have talked here, of the vast sums of money involved in the Motion Picture Industry. There are less than 40,000 theatres in the world and probably 20,000 in the United States and Canada, from which approximately 75 per cent of the revenue must be derived. Then there is what is known as the non-theatrical, that is, anything aside from theatrical. I could probably demonstrate my point about "The Voice of the Nightingale" if I could show it to you now. The non-theatrical and at this time is a mere branch or twig of a tree. I have been watching it closely and studying it for the past twelve years, and I am beginning to believe that in a comparatively short time it is going to become more prominent. I think a greater field for success exists in that department at the present time than in any other branch of the Industry. Of course I cannot predict the number of years but I venture to say it will not be so many years before

OSCAR HANSON

**Whose eloquence and salesmanship ability registered with his chief to such an extent that Canada gets the 1928 Educational Convention.**

the present Industry will be the little twig or branch and the non-theatrical, educational and entertainment, will be the trunk of the tree. You know the number of colleges and schools in the United States; you know the number of Y. M. C. A.'s and you know the number of different welfare centres. These are all prospects for pictures. There are also great opportunities in the big factories.

I saw a picture the other day of a trap shooting tournament, and breaking of clay pigeon targets. That was both interesting and instructive. When you can combine the two it is a great thing. That kind of a picture can play in the theatrical and the non-theatrical fields.

I would like to have you gentlemen ask me any questions you wish and I will do my best to answer them. I forgot to look at these notes. I have it all nicely written down but I didn't look at them. There may be some points that you will bring out. I will endeavor to do my best to answer.

Q: "How do you sell the pictures? Do you use block booking?"

A: We have to sell in block booking on account of the expense. The expense of a short reel organization, roughly speaking, will run about 38 per cent. That is, the cost of distributing, including overhead of your organization, and not the cost of the actual negatives and prints. A feature company's expense should be from five to seven per cent less. Why is that?

Take a comedy that cost $30,000, and assume I am a salesman employed by a short-reel company, who have to pay me the same salary as a feature company would pay, and I go to a theatre to sell this picture, that cost $30,000. Perhaps I may be able to get $500 rental. If I am allowed 20 per cent; that is $100 expense. With the feature I am can go to the same theatre but this time I have a picture that has cost $200,000. Naturally I must get a great deal more than $500. We will say $2,000, as an illustration. Twenty per cent of that is $400. We would be eaten up by expense if we sold picture by picture, so, to overcome that, we sell by series.

I believe our company was the first company that started to put into effect the non-cancelable contract. We were compelled to do that. Last year we had 72 two-reel pictures, 102 one-reel pictures and 104 issues of Kinograms. What we would endeavor to do would be to sell that entire output to a theatre, and for two reasons, first, to cut our overhead down and make it possible to operate. We have to have volume bookings in order to keep our overhead down, and we have to know that these pictures will sell, in order to produce them. That isn't always true in a feature picture.

Mr. DeMille prior to finishing the King of Kings hadn't one single booking. He did not know whether it was going to be big or not and he did not dare try to book in advance. We do just the opposite. We will start the second of May selling pictures that we will make during the next 12 months.

Does that answer your question? The answer is yes, we do block booking.

"You spoke a while ago of the educational pictures for factories and such as that, coming in the future. Are the larger established companies taking that up now or are they waiting for the smaller independent or newer organizations?"

No; the large companies have not. We are probably the largest company of our kind, that is, specializing in short subjects. We have not done that before although we have carefully studied it. I have made surveys and always have one or two men out making surveys of that situation. The reason we have not done that is that I did not want to attempt it until I could do it in a big way because unless you do it in a big way you will run into failure on account of overhead expense. There have been any number of companies who have tried it but they have failed for several reasons,—first, because they were not equipped; they did not have the knowledge; second, they started to build up an organization and that organization's overhead would eat them up before they could get any revenue in. So, a company to successfully do that must be a "going" company that is not dependent immediately on the revenue.

We have 36 offices. Any other company that was not in his Industry would have to start an organization like that, and it costs a lot of money. We could gradually start it if we cared to. We could put a man here in Boston if we thought this was a good territory to start experimenting in. Then we could continually add. That in my opinion is the only way to establish it.

We have almost come to the conclusion that the time is getting ripe to start. It is going to be a hard thing to do. There is a lot of prejudice to overcome, but there are many ways that that can be overcome.

One thing that strikes very vividly in my mind is the possibilities in the art of surgery. You have a famous surgeon performing an operation. Only a few people can see him. If you took that in slow motion, the surgeon himself by re-running it and studying it can see any false moves. The more it is seen

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# Distribution

By SYDNEY R. KENT

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could have been used, just that much money is gone forever.

Here is what happens: I say we work against time and we have no seasons. If you do not sell a Buick automobile today you can sell it tomorrow and you get the same price for it. That is not true of us. Every day a motion picture is out of the laboratory it loses in value based on its age.

Another thing is this. We sell shadows that go on the screen. Time is what we sell, and if we lose a week we cannot replace that week; we cannot put it back. It is one day or one week gone out of 52 weeks, and you can never get it back again because it is gone the same as time has gone out of your life. That is the same problem we have here.

The booking department receives a copy of the contract and enters it in their booking records, booking their prints to their accounts in proportion to their dollars and cents value to the office. In other words, they try and book the prints first to the first run, the house that gives them the most money; then to the second in importance, and down the line, the attempt being to tie in each print so that 100 per cent of its time is used in getting out the ultimate amount of money as quickly as possible.

Our negatives are written off and depreciated on the basis of 80 per cent of the investment the first year. About 50 per cent of our money comes in the first 90 days on a motion picture. In the average motion picture 20 per cent is liquidated over the period of the second year and at the end of the second year that negative is carried on our books at one dollar.

Here is the handling of a sale based on one picture (indicating chart), starting with the salesman and his contract with the exhibitor. He leaves a contract application with the exhibitor. We never make an outright bona fide sale on the spot. We leave a contract application with the exhibitor and either the exhibitor or distributor has ten days in which the product in order to get one picture. to accept or reject the deal. That is set up in our national system of film boards. In other words, either side can back out within 10 days, but if neither side backs out within 10 days it becomes a binding contract. The salesman brings the contract in to his branch manager for approval, and if he does not approve it he sends the salesman back to the account to get more money. If he approves it he sends it to the booking manager who sets the dates and sends notice of those dates to the exhibitor. The booking then goes on the shipping list and the date of shipment is fixed. The contract then goes to the accounting department so that the exhibitor can be billed for it before the print goes out and notice is sent to the Ad. Sales Department who fill the advertising order so that the exhibitor can advertise a week prior to the exhibition. Notice of date is sent to the accounting department, the shipping department and the inspection department so that the film arrives at the theatre in time for exhibition.

There are four copies of that contract, one of which is sent to the home office, one goes into the contract files of the exchange, one to the district manager and one is held by the exhibitor. One other thing is the fact that our business is strictly cash. Payment is made three days — a minimum of three days — in advance of the date on which the exhibition is to take place, and outside of a few large circuit accounts we give absolutely no credit. We extend no credit because there is no merchandise to go after when your exhibition is over. It is different if you sell a man a carload of canned goods. If you go into his store the next week he may have half of the shipment left and that you can get, but with us after an exhibitor has used the picture nothing is left; it is an exhibition and it is over. He in turn takes cash from his customers and extends no credit. So we extend no credit to our customers and 99½ per cent of our business is cash in advance. Our percentage of loss on bad accounts is less than one-tenth of one per cent of the total turnover per year. That is a very important item in the business.

There is one thing I forgot to mention in connection with the foreign situation, and I am going back in just a second. That is the question of how we are trying to solve the problem presented by the agitation against American motion pictures and lessen sales resistance in those countries that want to build up their own industry. We are trying to do that by internationalizing this art, by drawing on the old countries for the best talent that they possess in the way of artists, directors and technicians and bringing those people over to our country, drawing on their literary talents, taking their choicest stories and producing those in our own way, and sending those back into the country in which they are famous. In doing that, however, we must always keep in mind the revenue end of it, that out of each dollar, 74 or 75 cents still comes out of America and 25 cents comes out of all foreign countries combined. Therefore you must have in mind a picture that will first bring in that 75 per cent and secondly will please the 25 per cent that you want to please. If you please the 25 per cent to the detriment of your home market you can see what happens. Of course the profit is in that last 25 per cent.

Boys, that is all. I am very, very glad to have appeared here, and I hope there has been a little something in the lecture that has been useful and profitable. (Great applause.)

The Dean has requested that I answer some questions. Does anyone have a question?

> "I have heard that in selling motion pictures you try to sell a whole series of pictures so that the exhibitor to get one picture may have to take others that perhaps he does not want."

We have a term in this business known as block booking, and it is a very much misunderstood term. As a matter of fact the government is now litigating the question of what block booking really is.

The term "block booking" sprang from this situation: The offering at one time of a number of motion pictures, the putting in a booklet of 15 or 20 or up to 75 pictures that you proposed to make and release during the year. It is not true that an exhibitor has to buy all of the product in order to get one picture. I will prove that to you by showing you that out of an average of 9,900 possible accounts the circulation of a poor picture will fall as low as 1,000 or 1,500 accounts, where as on the "Covered Wagon" we got more than 100 per cent circulation. We served 13,500 accounts, the number in excess of 100 per cent representing repeat engagements, accounts that played the picture more than once. If you were to examine the accounts you would find a number of accounts that buy three or four or five or ten pictures out of a group and do not buy the others. Of course everyone makes a great effort to sell all the merchandise they can. If we can sell a man 100 per cent that is what we try and do. Naturally, if he buys 15 or 20 pictures and takes the cream of your output you charge him a proportionately greater price for the 15 or 20. If he buys 75 pictures he gets what is more or less a bargain by using 100 per cent of your output.

I would say there are not over 10 per cent of all the accounts in the country who use 100 per cent of all the product of any one organization.

Let me show you where that is important to the exhibitor. We tried to break it up and could not do it. A man who is running a first-run house and changing every week uses 52 motion pictures in a year. If he were picking from the market he would have to screen at least 250 pictures to pick the 52 that he wanted, because he has to look at four or five to decide which one he wants. That is why the exhibitor himself would rather buy his pictures from a reputable organization. The men who make these pictures and the men who buy the stories are supposed to have a sense of showmanship. That is what determines your reputation as an organization, the showmanship which goes into your product. What exhibitor is in a position individually of judging as well or pitting his knowledge against that of all these men who contribute everything they know to the making of the motion picture.

Therefore, the exhibitor who has stuck with a well-known brand of motion pictures has done better invariably than the fellow who went out and sought to pit his own judgment against that of all the best showmen in the country because there is nothing on which you can be so easily fooled as a motion picture. Trying to gauge the public taste is a very finicky proposition because the picture that you think is going to be a tremendous hit may be a terrible flop, and the one that you think will not be successful may fool you and do a tremendous business. That is one of the interesting phases of our business.

> "Do you think it is desirable to produce those retail outlets through lease?"

Yes and no. That depends entirely on the kind of an exhibitor. This is an age of consolidation of merchandising effort. I mean by that that right down the line you find the bigger companies more and more providing their own show windows, their own show cases in which to sell their merchandise.

Our business at the present time is just getting over a period of very, very fierce competition. It is still very competitive, but it is competitive on a little higher basis than it was a few years ago. During the process of this keen competition everybody went in for theatres. I think the pendulum in time will swing back because a nation-wide exhibiting organization will succeed only

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# Distribution

By SYDNEY R. KENT

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in proportion to its individual man power per theatre. Selling motion pictures to a community is not like selling shoes. Personality means so much in the man who operates a theatre in a little town. A man who has a bad personality, who is not popular, can kill a theatre over night, whereas a man who has a personality, who is at the front door of his theatre and merchandises in a high-class way, can make himself part of the community and a great institution.

Chain operation will rise or fall according to the class of man power in the individual theatre. If an organization can handle a group of theatres as well as an individual operator handles one theatre the operation of a great number of theatres will be successful. Otherwise it will fail. In my opinion the pendulum will swing back to a point where in the big cities we will have the show cases and the rest of the theatres will revert back to individuals.

"You mentioned that your company has inaugurated some sort of a percentage proposition to replace your present block price policy. How do you arrive at your percentage?"

As we are playing today, 1,250 accounts produce 75 per cent of our revenue. We are playing 65 per cent of those accounts on a percentage basis. The percentage is based on the type of picture and the amount of money you feel it will draw at the box office, and the exhibitor's overhead is a very determining factor. Percentages vary. You may play in a small house on a 50-50 basis from the first dollar. In other places you may take 25 per cent of the gross up to a point where the exhibitor has his overhead out with a reasonable profit, and then he splits 50-50. In another instance you may take 35 per cent of the gross straight. It all depends on the class of theatre and the picture you are selling.

"How do you determine your advance payment in a case of that sort?"

You arrive usually at an arbitrary sum. You figure that out of this engagement you have a right to take $500. Then you bill the man in advance for 25 per cent of that. Then you will send your checker to the theatre and he checks with the door man all the tickets that come in, so that you know you are getting your money, and he gets his money before he leaves the house. I mean that, too.

"Do you have a reciprocal arrangement with foreign producers?"

Yes.

"Is that on a percentage or flat basis?"

You mean for releasing their films here?

"Yes."

We have no fixed arrangement except with the Ufa Company of Germany. We are to handle five pictures of theirs, of which two are over here, "Variety" and "Metropolis." We have agreed for a period of time to handle five pictures a year of their output.

From the other countries we pick up pictures according to their merit. If we find a good English, French or Italian production we try and give that distribution. That is one of the ways in which we are trying to meet that problem sympathetically, by opening up this market. They have this disadvantage in producing, that as money becomes stabilized on the other side their negative costs approach the basis that we are operating on here. If they make a motion picture that costs $150,000 they have only one-fifth of the market in which to get their negative cost back.

"What effect does the use of vaudeville artists and jazz orchestras on the program have on the price policy?"

It has quite an effect. There is a percentage of exhibitors that forget that motion pictures should be the main part of their program and they go in more for vaudeville acts and jazz orchestras. That class of house generally buys a cheaper class of picture. There are places where they get good pictures, but the man who makes high-class motion pictures tries to keep his merchandise out of the vaudeville house and tries to sell it to the man who operates a straight motion picture house. Where that is not possible he sells to the vaudeville houses.

"I mean in such a large house as the Metropolitan."

They do not call that vaudeville. That is different. As a matter of fact it is. In those large houses around the country that have a capacity where they can do $65,000 one week and $30,000 the next, their policy is to give as much as they can for the money. In fact that is the secret of the show business. Therefore, having the capacity to take it in, they have more leeway as to what they can spend. If they have a good show they can do $60,000 and if they have a poor one they can drop to $30,000.

(Applause.)

(End of lecture.)

## Associated Screen News Ltd. Camera Staff Around the World

### Director Building Up Powerful Canadian Enterprise.

"Cotton," one of the most pretentious and extensive technical pictures of Canadian Industry, is nearing completion by the Associated Screen News in Montreal. It is a six-reel production devoted to the processes and plants of the Dominion Textiles Company, Ltd.

The camera work on this production is by Roy Tash, who on completion of this subject is shortly to sail on an assignment for A.S.N. camera work in Great Britain in connection with a picture dealing with Canadian immigration.

B. E. Norrish, managing director of the A.S.N., has his camera staff scattered far over the continent. J. Booth Scott, recently on west coast assignments, is now heading for the wilds of the Rocky Mountains for a summer's work on scenic and adventure pictures for winter release. James Campbell is similarly engaged on the prairies of Manitoba and Alberta, and Harry Pollard is making photographs for the still department in the same region.

Burton Moore is making animal studies in New Brunswick. Frank O'Byrne is doing camera work out of Toronto. Two camera men have just returned from the wilds of Quebec on chases after the apparently erroneous reports of the discovery of Nungesser and Coli, the ill-fated French aviators.

The Associatd Screen News has recently largely increased the capacity of its still photograph department under Harvey Bassett. The A.S.N., in addition to an extensive business in still photography for Canadian industries, has established what is said to be Canada's largest and most thoroughly equipped portrait studios, where many famous Canadians have been pictured within recent weeks.

John Alexander, for many years star cameraman of the Norrish organizations, is in editorial charge of film production with offices at the Montreal plant. He is now busy with the assembling of new issues in the A.S.N. scenic and adventure series.

The laboratory staff of the A.S.N. has been augmented to a total of sixty employees.

# The Spice of the Programme

By EARLE HAMMONS

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the more it will sink into the mind of the person seeing it.

These operations are reported in the medical journals. The physician in the small town has to get his information through reading the medical journal. If he can do that, and then run this picture three or four times in slow motion; then if he is ever called upon to perform a similar operation he will be very much better equipped to do so than he would be if he had not looked at that picture.

I think some time in the next few years our company is going to make very determined effort to make progress and do something in the non-theatrical field.

"Do you confine your work to distribution or do you also produce? You spoke of distributing such pictures as Cameo Comedies, Tuxedo Comedies, Christie Comiedies, and so forth."

Up to the 15th of February of this year we were solely distributors. On that date we purchased 80 per cent of our producing units. Now we are producers. The company has done that. Prior to that I had been personally financially interested in our producing units and supervised them out on the coast. We have a very large studio out in California. We have just as fine equipment and just as expensive equipment as any of the big feature companies. Our studio cost us a great deal of money but we make the majority of our comedy product in those studios.

We have a little plant at Providence. We made several pictures for the Rockefeller Institute, notably The Unhooking of the Hookworm. We made some pictures for the American Telephone and Telegraph Company, in order that they could show them to their people. We made a picture having to do with the radio. The radio was a mystery to me. Then I saw this picture and began to get the idea of what the principles of radio meant.

In making pictures of this sort we have to go to your big colleges for advice. When we go into the non-theatrical field it is our purpose to go to the big colleges, like Harvard, Yale and Columbia, and try to get the loan of professors in those particular branches that we think are the best to start with, and when we do that the information will be absolutely as authentic as it can be.

"Would it not be an economic move for your company to hook up with one of the larger organizations like Famous Players, that has its own chain of theatres?"

I thought of that. We have been approached several times on that subject and I had to decide no. My reason for doing that was that while we could get their business — and their business would help us a great deal — however, we are tied up with one of the big theatre chains at the present time. I'll take a few minutes to tell you about that.

When we first produced pictures ourselves we released through independents on a percentage basis, but we did not get the percentage we were entitled to. We finally opened our own branches. I went to the big theatre chains in the particular districts. Here in this New England territory, which is served by the Boston and New Haven offices, at that time Mr. Gordon owned the biggest chain of theatres. I went to Mr. Gordon and I sold him a 49 per cent interest in this particular exchange and we have a 51 per cent interest. In Chicago we went to Balaban & Katz and sold them a 49 per cent interest in that exchange. In the beginning that was fine because all these theatres were interested with us. Then they tried to use that interest for the benefit of their theatres and tried to pull down the price. They thought because they were interested with me that they could pay anything they liked for their film. I told them that would be satisfactory to me if they gave me a 51 per cent interest in their theatres. If they did that they could make their own price for pictures, but until that time I was going to sell to the theatre that paid me the most money. While we had that theatre connection, yet at times we could sell to his competitor at better prices.

The business we have received from Paramount - Famous - Lasky has been about 10 per cent of our gross on a picture. We are in 13,500 theatres. Such a combination as you speak of might be a good thing and it might not. It is too long a discussion for me to tell you why it is not quite the thing. It is really a debatable question. I am not always sure in my mind that I have made the right decision. I hope time will prove that I am right.

"In the educational field do you expect much competition from the amateurs with the Eastman Kodak?"

No; I think they will be a great help. It is quite surprising the number of amateurs in this field that have developed. They use what is termed a 16-mm. film. The standard size is 35-mm.

Non-theatrical does not mean a purely educational picture. Non-theatrical means pictures that will be shown elsewhere than in a theatre. If it is shown in a theatre it is theatrical. Otherwise it isn't.

If you have one of the new small projectors you want to know where you can get pictures. We are planning to establish a film library so that you can come and get pictures. There are a great many branches in the non-theatrical field.

Therefore, I say the ground is absolutely unscratched and, to my mind, there is a very wonderful opportunity for financial and other success in that line.

"Do you think there is any opportunity for you to get news for your news reels by making arrangements with the Eastman Kodak Company to give you any films that are interesting that these amateurs might make, by paying a royalty?"

The Eastman Kodak Company are primarily interested in selling film. The trouble with these machines that the amateurs have is that they are not of the size that is used in the news reel. There is a standard size used in all theatres, that is 35-mm. The kind you speak of is 16-mm. You might go out and make a most interesting picture with that camera but the news weeklies could not use it because it is not standard size. You can take the standard size and reduce it to the smaller size, but I don't know whether the 16-mm. can be enlarged to the standard size. I know it can be reduced because they have come to us and wanted pictures reduced to 16-mm. Whether it can be increased in sufficient time to be of value I do not know. Nothing is as old as yesterday's newspaper, and the news reel has to get as timely subjects as the newspaper.

I saw a most remarkable picture that was gotten by accident. Kinogram News Weekly had made arrangements with Commander Byrd for the exclusive right to picture him. There is great rivalry between the news reel people to get a "beat" on the screen. That is why we use aeroplanes and take such chances, some of these fellows risking their lives a dozen times a day, because time is the essence of that subject. Commander Byrd was making this trial flight and they caught him as he fell and crashed. That is a wonderful picture. Washington has asked us for a copy of that picture. It is a wonderful thing to have because, of all the eye-witnesses, if there are ten eye-witnesses, you will probably get ten versions of how that happened but there is no question of how it happened. The camera accurately recorded it. This machine was making a landing and the nose went right into the ground and completely somersaulted. It looked to me, as a layman, that the weight was not properly distributed on the wheels. Possibly the wheels should have been further advanced or further behind. At any rate, it was top-heavy and over it went. From that picture they should be able to correct that defect if it existed.

In this flight the other day where two men were killed, the accident apparently occurred in the same manner — the nose went down in the mud and the aviators were probably drowned.

"Are you planning on making little films of the same size used in the Eastman Kodak?"

Yes, sir.

"Will they be sold or rented?"

That is something we will have to determine. In some cases they may be sold and in other cases they may be rented, whichever will turn out to be the best method, and that is something we have to study carefully. We will take the pictures with the standard size film and reduce them. Then will be obtained the benefit of the better pictures. In the first place, I do not believe good material is available now in the 16-mm. size. We have a very large library that we have been gathering for ten or eleven years, and we have some very interesting subjects. For instance, there is this trap shooting that I spoke of, where we got a picture in slow motion of the breaking of clay pigeons and the men at the firing line also in slow motion. I know that is a picture that every man interested in trap shooting will want to see.

"Does the short-reel subject have a longer length of life than the feature?"

Yes, sir, very much longer. With very few exceptions it has two or three times the life. At times, possibly this week or next, we can use a film that we made ten years ago. That is not true of a comedy, because a comedy is something like a feature. If you once show it it is through; you cannot revive it. Of course, if you had a picture of Washington crossing the Delaware you could use it 50 years from now. However, styles change and the clothing will be different, and that makes it difficult.

"Do you feel that news reels have any historical value as library mater-

(Continued on Page 114)

# The Spice of the Programme

By EARLE HAMMONS

(Continued from Page 113)

ial? Do you think many of those will hold over in years to come?"

In the news reel you have some very wonderful subjects. In every news reel organization one of its valuable assets is what they term their morgue. They can reach in there just like a newspaper and get clippings from its files. We do the same thing. We keep those records. Of course we can't keep them all because the building wouldn't hold them, but we try to keep the most important and those that could not be duplicated.

"Do you find that your comedies which are sold under brand name, rather than with the name of the star, are as readily salable?"

We have one brand name that is. To answer your question, the star name sells better. There is one brand name that sells as well as the star name, and that is the Mermaid Comedy. Occasionally we make a star series. We started a series several years ago and last year developed a little boy only two and one-half years old. He has developed into a wonderful and popular actor, and all the theatres want him. That is "Big Boy," of the Juvenile Comedies. I couldn't discontinue the brand name Juvenile, but they all wanted the "Big Boy" comedies, because they would find less sales resistance; they could sell the pictures more easily. I said, "Yes, but if you do that and something happens to this boy we have lost the brand that has been successful and we have spent a lot of money." So we call them "Big Boy" Juvenile Comedies. We will get the benefit of the star series and we retain the advantage of what we spent on the brand name Juvenile, and if the boy grows up we may develop another one. The star series ordinarily will sell better.

"Why do you have various brands such as Cameo and Mermaid and the others that you mentioned?"

The Cameo is a one-reeler.

We have a certain series of pictures that we think we want to make. We can't call them Mermaid; we can't put them in this brand, so we have to think of a brand name and we try to think of a brand name that is easy to say and easy to remember. We had to adopt the brand Tuxedo Comedy because we could not put them in under the Mermaid. It seems that it is easier to sell three or four or five different names.

I thank you, Gentlemen.

(End of discussion.)

# First Link in F.P. Chain

(Continued from Page 42)

No phase, or angle of the motion picture theatre problem appears beyond his capabilities to handle and solve; and his general showmanship.

Ability, gleaned from the very soil, wherein was seeded, showmanship, gives him a comprehensive and analytical insight into the various branches of our Industry, government production and distribution also.

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This, in brief, is the history of another typical and essential Canadian enterprise. We have used the word "essential" advisedly. It was realized that to become a nation we must feed and clothe ourselves; it is true that if we are to develop national characteristics our entertainment must be directed by Canadians. That a Canadian enterprise has been developed to take care of the third essential is but another illustration of the great development that has taken place in Canada since Confederation.

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